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**Project Dissertation Report on**  
**MARKETING AND SALES STRATEGY OF**  
**BARBEQUE NATION**

**Submitted By:**

**Hitesh Bhandari**

**2K22/EMBA/11**

**Under Guidance of:**

**Dr. Abhinav Chaudhary**

**Assistant Professor**



**DELHI SCHOOL OF MANAGEMENT**

**Delhi Technological University**

**Bawana Road Delhi 110042**

## **DECLARATION**

I, Hitesh Bhandari the undersigned hereby declare that project report entitled "Marketing and sales strategy of Barbeque Nation" written and submitted by me to Delhi School of Management in partial fulfillment of requirements for the award of degree of MBA under the guidance of Dr. Abhinav Chaudhary, is my original work and interpretations drawn therein are based on material collected by myself.

Place: Delhi

Date: 28<sup>th</sup> April

Signature

Name of Student  
(Hitesh Bhandari)

## **CERTIFICATE**

This is to certify that project entitled “Marketing and Sales strategy of Barbeque Nation” submitted by Hitesh Bhandari, Roll No 2K22/EMBA/11 in partial fulfillment of MBA IV<sup>th</sup> semester of DSM, DTU is a record of student’s own work carried out under my supervision and guidance. While working on project they were sincere, disciplined and enthusiastic. As per our knowledge this work is original and genuine.

Faculty Name

Dr. Abhinav Chaudhary

Signature

## **ACKNOWLEDGEMENT**

It is a great pleasure for me to acknowledge the kind of help and guidance received during the research work. The project provided me with an excellent opportunity to explore the area of marketing and sales strategy of barbeque nation. I am highly indebted to Delhi School of Management, Delhi Technological University for giving me this opportunity to work on this project. I would like to express my gratitude to all those who gave me the strength and possibility to complete this innovative work. I would particularly like to thank Dr. Abhinav Chaudhary, for giving me the freedom to work unbounded and innovatively.

Hitesh Bhandari

## **Executive Summary**

I focused on analyzing the marketing and sales strategies of Barbeque Nation, with the goal of understanding and applying various marketing and sales approaches used by the company. Known as a leading restaurant chain throughout India, Barbeque Nation has established locations in key regions including Chandigarh, Delhi NCR, Uttar Pradesh, Rajasthan, West Bengal, Maharashtra, Karnataka, Andhra Pradesh, and Tamil Nadu. The chain is celebrated for its 5-star ambiance and a diverse menu. At Barbeque Nation, guests are typically treated to at least five vegetarian and five non-vegetarian largely pre-cooked appetizers, which they can season and grill right at their tables. This is complemented by an unlimited main course buffet and a range of desserts.

In a remarkably short time, Barbeque Nation has risen to become one of the top restaurant chains in the area, largely due to its commitment to serving a variety of high-quality foods. The essence of Barbeque Nation is reflected in its dedication to the values of the hospitality industry, including passion, dedication, trustworthiness, and an exceptional level of customer service. These elements together have paved the way for its successful business model. The outlook and current standing of Barbeque Nation in the industry appear to be very promising.

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# INTRODUCTION

## 1. Introduction

### 1.1 Industry Profile

Barbeque Nation is a prominent player in India's culinary scene, known for its innovative 'do-it-yourself' grilling concept. It has captured a substantial market share within the casual dining sector by targeting urban and semi-urban consumers.

The restaurant industry, a dynamic segment of the hospitality sector, plays a crucial role in the global economy. It encompasses various dining formats ranging from quick-service restaurants (QSRs) to fine dining establishments, with casual dining occupying a significant niche between these two extremes.

#### Market Dynamics

The casual dining market caters to consumers looking for a relaxed dining experience at moderate prices, offering table service and a variety of menu options. This segment attracts a broad customer base, including families, business professionals, and young adults, making it a resilient and adaptive sector of the economy.

### 1.2 Organization profile

Vision: To provide a comprehensive dining experience at affordable prices.

Core Values: Emphasis on both internal (employees) and external customers, passion, innovation, genuineness, and ownership.

#### Company History and Growth:

Founded in 2006 by our promoter SHL, Barbeque Nation has grown to own and operate 150 outlets in India and 7 internationally, including locations in the UAE, Malaysia, and Oman. We are recognized as one of the top casual dining chains in India, pioneering the unique "over the table barbeque" concept which allows guests to grill their own barbecues right at their tables.



#### Business Model and Offerings:

Our fixed price "all-you-can-eat" model combines value with a diverse menu of Indian and international cuisines, making our restaurants a popular choice for large groups and celebrations. Seasonal menus and food festivals add variety, catering to different tastes and preferences.

#### Industry Recognition and Expansion:

Barbeque Nation has been consistently ranked among the best places to work in India, reflecting our strong focus on employee satisfaction and customer service. We have expanded our brand to include Toscano Restaurants and UBQ by Barbeque Nation, enhancing our portfolio with Italian and value-oriented Indian cuisines. As of December 31, 2020, the number of our restaurant covers and revenue has shown significant growth, underpinned by a strategic expansion in both domestic and international markets.

#### Technological Integration and Customer Engagement:

We utilize cloud-based systems for reservations and feedback, and actively engage with customers through our BBQ App and other digital platforms. Our in-house business intelligence software, "Business Insights," helps us monitor detailed operational and financial data to optimize performance.

#### Future Outlook:

With the casual dining market projected to grow robustly, we are well-positioned to leverage our innovative dining format and operational expertise to capitalize on this trend. We plan to continue expanding our reach in metro and Tier I cities, aiming to enhance our market presence and customer experience further.

### **1.3 Objective of the study**

The proposed study aims to study the marketing strategies adopted by the different hotel/Restaurant. This study also aims to develop the ideas and knowledge about marketing strategies, which can be useful in our professional life and we will able to

take as appropriate decision for our companies. This study specifically attempts to create a systematic understanding of-

- To study, knowledge companies have about customer and competition in restaurant industry.
- To study marketing strategies adopted by companies and its impact on the market effectiveness and profitability using multiple regression.
- To study the measures adopted by companies for gaining competitive advantage.

## **LITERATURE REVIEW**

According to a study by Syed Saad Andaleeb and Carolyn Conway published in 2006 titled "Customer satisfaction in the restaurant industry: an examination of the transaction-specific model," restaurant owners and managers of full-service establishments should concentrate on three critical areas:

- Quality of service (specifically responsiveness)
- Pricing
- Consistency and excellence in food quality

The study highlights that the "responsiveness" aspect of service quality is most crucial to customers.

From a management perspective, it is advisable to:

- Implement suitable initiatives
- Conduct regular training focused on enhancing responsiveness among employees to boost customer service
- Monitor staff performance regarding their responsiveness
- Create specialized training programs that promote the responsiveness aspect of service quality among employees

## **HISTORY OF BBQ NATION**

Barbeque Nation was initially established as Sanchi Hotels Private Limited on October 13, 2006, in Indore, Madhya Pradesh, India, and was registered as a private

limited company under the Companies Act of 1956. Later, to reflect its core business focus, the company's name was changed to Barbeque-Nation Hospitality Private Limited, confirmed by a new certificate of incorporation issued by the Registrar of Companies for Madhya Pradesh and Chhattisgarh on February 18, 2008. The business transitioned into a public limited company, adopting the name Barbeque-Nation Hospitality Limited, and a corresponding certificate of incorporation was issued on March 4, 2008. Additionally, the corporate headquarters was relocated from Madhya Pradesh to Karnataka, India, effective December 16, 2013, as certified by the Registrar of Companies on January 15, 2014.

The table below sets forth the key events in the history of BBQ Nation.

Calendar Year	Particulars
2006	Our promoter, SHL, launched the first Barbeque Nation restaurant at Pali Hill, Mumbai
2007	<ul style="list-style-type: none"> <li>Barbeque Nation restaurants opened in Indira Nagar and Kormangala (Bengaluru) and Banjara Hills (Hyderabad) by SHL</li> </ul>
2008	<ul style="list-style-type: none"> <li>Our Company established a presence in Chennai and started the first Barbeque Nation restaurant in T Nagar, Chennai</li> </ul>
2012	<ul style="list-style-type: none"> <li>Achieved revenue of over ₹1,000 million for Fiscal 2012</li> <li>Acquisition of five Barbeque Nation restaurants from SHL</li> <li>Our Company opened the 25th Barbeque Nation restaurant at Times Square, Mumbai</li> </ul>
2013	Investment by CX Partners Fund I Limited through TPL and investment by AAJVT
2014	Introduced the concept of 'Kulfi Nation' counters in our restaurants
2015	Introduced the concept of 'Live counters' in select restaurants
2016	<ul style="list-style-type: none"> <li>Achieved a consolidated revenue of over ₹3,000 million for Fiscal 2016</li> <li>Our Company commenced international operations by setting up the 1st Barbeque Nation restaurant in Dubai</li> <li>Our Company opened the 75th Barbeque Nation restaurant in Korum Mall, Mumbai</li> <li>Rated ICRA A+ (Stable) by ICRA Limited</li> </ul>
2017	Achieved a consolidated revenue of over ₹4,000 million in Fiscal 2017
2018	<ul style="list-style-type: none"> <li>Investment by Alchemy India and Partner Reinsurance</li> <li>Expanded its international footprint in the Asia Pacific region by setting up a Barbeque Nation restaurant in Kuala Lumpur, Malaysia</li> <li>Our Company opened the 100th Barbeque Nation restaurant in Dimapur, Nagaland</li> <li>Launched UBQ by Barbeque Nation to provide <i>a la carte</i> Indian cuisine in the value segment</li> </ul>
2019	<ul style="list-style-type: none"> <li>Our Company opened the 130th Barbeque Nation restaurant</li> <li>Achieved a consolidated revenue of over ₹7,400 million in Fiscal 2019</li> <li>Further expanded its international footprint by opening a restaurant in Muscat, Oman</li> <li>Acquisition of a controlling interest in Red Apple, which currently operates Italian restaurants under the brand name "Toscano", "La Terrace" and "Collage"</li> </ul>

2020	<ul style="list-style-type: none"><li>• Our Company opened the 149th Barbeque Nation restaurant in Indore</li><li>• Achieved a consolidated revenue of over ₹8,500 million in Fiscal 2020</li><li>• Launched “Barbeque-in-a-Box”, a product offering available online</li></ul>
2021	<ul style="list-style-type: none"><li>• Investment by Xponentia</li><li>• Investment by Jubilant</li></ul>

## Awards and Recognition

Financial Year	Awards and Accreditations
2016	<ul style="list-style-type: none"> <li>• Our Company was awarded the ‘Hospitality Trailblazer Award’ from Food Hospitality World (part of Indian Express)</li> <li>• Our Company was ranked #37 amongst India’s best companies to work for 2016 by Great Places to Work Institute in collaboration with Economic Times</li> </ul>
2017	<ul style="list-style-type: none"> <li>• One of our restaurants located in Gurgaon won the runner-up award at the People’s Choice Awards 2016 for excellence in the category of North Indian food by Gurgaon Foodie</li> <li>• Our Company was ranked amongst the top 10 retail companies to work for by Great Places to Work Institute in 2017 in collaboration with Retailers Association of India</li> <li>• One of our restaurants located at Mumbai was voted the winner under the best buffet category by Burrp.com for the year 2016</li> <li>• Our Company won the best restaurant concept of the year award for 2017 from eazydiner Foodie awards</li> </ul>
2018	<ul style="list-style-type: none"> <li>• Our Company was ranked #36 amongst India’s best companies to work for 2017 by Great Places to Work Institute in collaboration with Economic Times</li> <li>• Our Company was ranked among the top 10 retail best brands to work for in India in 2018 by Great Place to Work (India) in association with Retailers Association of India</li> <li>• Our Company was awarded the best national restaurant chain of the year at the Restaurant Awards 2017</li> <li>• Our Promoter and Managing Director, Kayum Dhanani was awarded the Regional Restaurateur of the Year – South at the Indian Restaurant Awards 2017</li> <li>• Our Company was awarded the Best Buffet for the year 2017 for the Barbeque Nation restaurant located in Worli, Mumbai by eazydiner Foodie Awards</li> <li>• Our Company was awarded the best restaurant chain of year at the Restaurant Awards 2017 (South India Edition)</li> <li>• Our Company won the most effective recruitment, engagement and innovative retention strategy award at the CII National HR Circle Competition 2017</li> <li>• Our Company was awarded the ‘Best Sensational Debut of the Year – 2017’ for its Patna outlet by Dainik Jagran</li> </ul>

Financial Year	Awards and Accreditations
2019	<ul style="list-style-type: none"> <li>• Our Company was ranked #17 amongst India's best companies to work for in 2018 by Great Places to Work Institute in collaboration with Economic Times</li> <li>• Our Company won the best restaurant chain of the year award for the year 2018 from eazydiner Foodie awards</li> <li>• Our Company was awarded the 'Best National Restaurant of the Year 2018' award at the Indian Restaurant Awards powered by Franchise India</li> <li>• Our Company was awarded the 'Silver' award at the SAMMIE Awards, 2018</li> <li>• Our Nungambakkam outlet was awarded the 'Distinguished Restaurant' award by Rocheston</li> <li>• Our Company was ranked among the top 10 best workplaces in retail in India in 2019 by Great Place to Work (India) in association with Retailers Association of India</li> <li>• Our Company was recognised as the 'Finest Food and Beverage Destination' by 92.7 Big FM</li> <li>• Our outlets in Delhi were awarded the 'Best Barbeque and Grills in Town' award at the Eazydiner Foodie Awards for the year 2019</li> </ul>
2020	<ul style="list-style-type: none"> <li>• Our Company was ranked #14 in the 2019 list of Best Large Workplaces in Asia in 2019 by Great Places to Work Institute</li> <li>• Our Company was ranked #13 amongst India's best companies to work for in 2019 by the Great Places to Work Institute, India in collaboration with Economic Times</li> <li>• Our Company was awarded the 'Best Restaurant to Work with' award at the Indian Restaurant Awards 2019</li> <li>• Our Company was awarded the 'Best Buffet in Kolkata at the Owlery Awards 2019 in association with Times Prime</li> <li>• Our Barbeque Nation Restaurant in Indiranagar was awarded the 'Best Buffet in Town' award for the year 2019 by eazydiner Foodie awards</li> <li>• Our Company was awarded 'Most Preferred Restaurant &amp; F&amp;B Retailer' at the Stars of the Industry Awards by ET Now</li> <li>• One of our food festivals, 'Jhoom Barbeque Jhoom Kebabi' was awarded 'India's Best Food Festival' by the Food Critics &amp; Bloggers Association</li> </ul>
2021	<ul style="list-style-type: none"> <li>• Our Company was ranked #7 amongst India's best companies to work for in 2020 by Great Places to Work Institute in collaboration with Economic Times</li> <li>• Our Company was ranked amongst the top 10 retail companies to work for by Great Places to Work Institute in 2020 in collaboration with Retailers Association of India</li> <li>• Our Company was awarded the 'Best Barbeques and Grills - Casual Dining' award at the Times Food and Nightlife Awards 2020 by the Times of India</li> </ul>

### Food Services Market in India

Since the early 1980s, India's food services industry has undergone significant transformation. Initially dominated by unorganized players with only a few



organized brands, the sector began to revolutionize in FY 1996 following the establishment of restaurants by international giants like McDonald's, Pizza Hut, and Domino's. This period also saw the entry of other players such as Subway and Barbeque Nation after the year 2000, alongside the expansion of iconic local brands like Haldirams and Moti Mahal.

The industry has seen consistent growth, driven by both international and domestic brands investing heavily in the development of supply chains and logistics. These investments, coupled with increases in disposable income, the availability of skilled labor, and advancements in technology, have dramatically transformed the sector, enhancing efficiency across both the operational front and supply-side dynamics.

	Phase I (1991-2001)	Phase II (2001-2010)	Phase III (2010 Onwards)
Geographical	High focus on Metros & Mini-Metros	Initial entry into Tier II Cities	Greater presence in newer locations
Operating Model	Ownership & Franchisee Model	More Franchisee Models	Concept of JVs
Investment Needs	Family/Self-funded	Partnerships, JVs and start of PE funding	Brand expansion driven by IPO, PE and others
Strategic Focus	Sustainable revenue growth	New opportunity areas with focus on CRM	Format diversification, birth of food technology etc.
Industry Segmentation	Indian & International Brands	Emergence of defined formats e.g. CDR, QSR, FDR, Café etc.	Further sharpening of formats based on consumer needs

Source: Technopak Analysis

- Phase 1- During the 1990s, rapid infrastructure development in major metropolitan areas like Delhi, Mumbai, and Bengaluru led to an increase in the number of organized restaurants. Early market entrants aimed to maximize revenues without a clear distinction in offerings. Most Indian brands operated multi-cuisine restaurants under one roof. The introduction of international chains such as McDonald's, Pizza Hut, KFC, and Domino's around 1995-96 marked the beginning of market segmentation based on specific offerings and services in India.

- Phase 2- In the 2000s, the demand for food establishments in Tier II cities grew due to increased urbanization, higher disposable incomes, and greater economic activities. This vast, untapped market, along with evolving consumer lifestyles, motivated businesses to expand into these areas. During this time, the industry began

to see a distinct categorization of restaurant formats, such as Quick Service Restaurants (QSR), Casual Dining Restaurants (CDR), and Fine Dining Restaurants (FDR), based on their offerings and style of service.

•Phase 3- The current decade has seen a transition towards a more structured organized sector. Organized entities are now focusing on customer retention and diversifying their range and depth of offerings. This stage is characterized by more refined segmentation within the various restaurant formats, tailored to meet specific consumer demands and preferences.

### Market Size & Growth



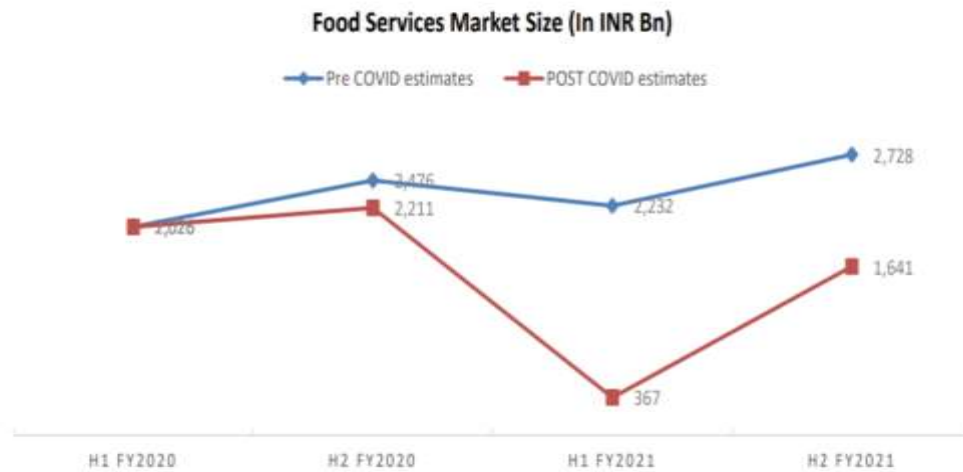
Source: Technopak BoK, Technopak Analysis  
Year mentioned is Fiscal

The size of the food services market in India is estimated at INR 5238 crore in FY 2023 and is projected to grow at a CAGR of 9% over the next 5 years to reach INR 6,506 crore by FY2025.

The organized market (chain and organized standalone outlets, excluding Restaurants in Hotels) is estimated at INR 2783 crore in FY 2024 and is projected to grow, at a

CAGR of 15%, to reach INR 3,275 bn by FY 2025 gaining a share of 50% from 38% in FY 2020. In FY 2021, due to COVID, the food services market dipped to 53% in comparison to the food services market size in FY 2020. Similarly, in FY 2021, the Chain market showed a dip of 42% in comparison to FY 2020.

Half yearly-wise Impact of COVID 19 on Food Services Market in India



### City wise Market Size

- The two mega metros, Delhi & Mumbai, contribute a total of 21.9% to the food services market. The 6 Mini Metros constitute 20.8% of the food services market, while the rest of the contribution comes from the Tier I & II cities along with the rest of India.

City wise Market Size FY 2020 (INR Bn.)



- The top eight cities in India have been the center of development, especially for the organized food services. Due to increased economic activity, rising disposable incomes, a greater need for convenience and an increasing women workforce, the

chain food services brands have done well in these cities. The two mega metros: Delhi NCR & Mumbai contribute to around 42% of the chain food services market in India. The next six cities: Kolkata, Bengaluru, Chennai, Hyderabad, Pune and Ahmedabad along with Delhi NCR & Mumbai contribute around ~87% of the total chain market.

### Strengths

BBQ Nation believe that they benefit from a number of strengths that collectively differentiate it from its competitors:

***Barbeque Nation is one of India's fastest growing and widely recognized restaurant brands in the rapidly growing CDR market***

BBQ Nation have steadily grown and operated Barbeque Nation Restaurant network from a single restaurant in 2008 to 147 Barbeque Nation Restaurants (including opened, temporarily closed and under construction outlets) across 77 cities in India and six International Barbeque Nation Restaurants in three countries outside India as of December 31, 2020. In addition, as of December 31, 2020, it had granted franchise rights in respect of one Barbeque Nation Restaurant.

*Note- BBQ Nation opened an International Barbeque Nation Restaurant in Ras al Khaima in the UAE in Fiscal 2019, But closed due to commercial reasons, BBQ Nation opened an International BBQ Nation restaurant in Dubai in fiscal 2020, but closed due to commercial reasons in fiscal 2020.*

They believe that their restaurant location portfolio consists of sites located in popular business districts, neighborhoods, and local markets. As of December 31, 2020, almost half of the Barbeque Nation Restaurants were located in Metro cities.

*This excludes BBQ Nation restaurant which operates as a franchise model and is not owned and operated by BBQ Nation*

Fixed price casual dining, given its convenience, quick service and moderate average spending, is increasingly popular amongst consumers. According to Technopak, we fall under the chain CDR market and the chain CDR market grew at a CAGR of 19.00% between Fiscal 2015 and Fiscal 2020 and is expected to further grow at a CAGR of approximately 18.00% from Fiscal 2020 to Fiscal 2025.

One of the main contributors to the brand affinity of Barbeque Nation Restaurants has been referrals and recommendations by their customers, which i believe has enabled to retain a strong market position whilst steadily expanding across India in a fragmented and highly competitive industry. As of December 31, 2020, average rating of Barbeque Nation Restaurants on an online food aggregator was 4.38 out of 5.00. They also have a large social media following. As of December 31, 2020, Company had over 1 million followers on Barbeque Nation's Facebook main page and, as of January 8, 2021, over 0.15 million followers on their Instagram page.

***Steady growth in covers and consistent APC with a relatively high proportion of total revenues from weekday sales and lunch covers***

BBQ Nation have experienced consistent cover growth in recent Fiscals. The number of in-dining covers served at our Barbeque Nation Restaurants in India increased from 6.86 million in Fiscal 2017 to 9.92 million in Fiscal 2020 at a 200 CAGR of 13.08%. In addition to our consistent cover growth, the APC (excluding revenues from UBQ and taxes) for dine-in customers at our Barbeque Nation Restaurants in India (excluding food delivery) has grown from ₹707 in Fiscal 2017 to ₹764 in Fiscal 2020 at a CAGR of 2.62%. Our APC from the Barbeque Nation Restaurants in India for the eight months ended November 30, 2020 was ₹762. Our business was significantly impacted due to COVID - 19, which led to our restaurants being temporarily closed from the third week of March 2020, therefore impacting the cover and sales.

## **RESEARCH METHODOLOGY**

It is widely recognized that the critical first step in any marketing research process is to accurately define the problem to be investigated. This is because clearly identifying the problem effectively addresses half of the challenge. Consequently, considerable attention was devoted to specifying various aspects of the problem. After engaging in a thorough brainstorming session, objectives were formulated based on these deliberations. Subsequently, a questionnaire was crafted, primarily focusing on the collection of new ideas and insights, aiming to identify and devise solutions to the problem.

### 3.1 DATA SOURCE

Research excluded gathering from Primary and Secondary data.

**Primary data** is the firsthand data, which are selected a fresh and thus happen to be original character. Primary Data was crucial to know various customers and past consumer views about food and to calculate the market share of this brand in regards to other brands.

**Secondary data** are those which has been collected by someone else and which already have been passed through statistical process. Secondary data has been taken from internet, newspaper, magazines and companies web sites.

### 3.2 RESEARCH APPROACH

The research approach was used survey method which is a widely used method for data collection and best suited for descriptive type of research survey includes research instrument like questionnaire which can be structured and unstructured. Target population is well identified and various methods like personal interests and telephone interviews are employed.

### 3.3 SAMPLING UNIT

It gives the target population that will be sampled. This research was carried in New Delhi only. There were 100 responders.

### 3.4 DATA COMPLETION AND ANALYSIS

After the data has been-collected, it was tabulated and findings of the project were presented followed by analysis and interpretation to reach certain conclusions.

### 3.4 SCOPE

My project was based on the Marketing and Sales Strategy of Barbeque Nation and data was taken in New Delhi only and the rest of data compiled is from various secondary sources.

# DATA ANALYSIS

## DIFFERENT ANALYSIS OF BBQ NATION

### SWOT Analysis

#### Strengths

- Rising Net Cash flow and Cash from Operating Activity
- Growth in Net Profit with increasing Profit Margin

#### Weaknesses

- Inefficient use of shareholders' funds- ROE declining in the last 2 years.
- High PE with negative ROE
- Companies with High Debt
- Companies with Increasing Debt
- Low Piotrowski Score: Companies with weak financials
- Book Value Per Share deteriorating for last 2 years

#### Opportunities

- Turnaround companies: loss to profit
- High volume, High Gain

#### Threats

- Increasing Trend in Non-Core Income
- Stocks with High PE (PE > 40)



### Threats from Competitors

- Haldiram's
- Nando's
- Paradise Food Court

### PESTLE Analysis

PESTEL or PESTLE is the abbreviation of political, economic, social, technological, environmental and legal factors. Pestle Analysis is a good technique to find out opportunities and threats in the External environment of a business. Once having a complete picture of the external environment factors that can affect the business, a business owner can take decisions according to the situation.

#### Political Factors

- Taxes
- Employee tax
- Registration of the Employees

Political factors can greatly influence the restaurant business anywhere in the world. There are a few examples of political factors like tax reforms or Health and safety guidelines. Once you have determined these regulations that can possibly affect your business, you can take appropriate decisions to minimize the impact of such regulations. From purchasing, cooking and packing to delivery, your restaurant is responsible to take care of the food products.

## Economic Factors

- Payment of Rent
- Licensing
- Credit policies if the supplier

If the inflation rate increases in the economy where your restaurant is operating, it will affect the prices of the ingredients. As a result menu prices will go up and most of the time people avoid to order food from a restaurant or go outside for shopping.

Consumer disposable income is another economic factor that can affect the food industry. If people have more disposable income, they will hang out with family and friends and typically will order food from restaurants like Starbucks, KFC, Subway, McDonald's or any local restaurant.

## Social factors

- Regional Beliefs
- All groups of people visit the restaurant

There are several social factors that can affect your restaurant business negatively or positively. Now-a-days people are more health conscious. This means that they will prefer organic food instead of junk food. This social factor might affect your restaurant menu. Generally, restaurants cater both type customers i.e. spicy or junk food and organic food lover to increase their customer base.

Another good example is people busy lifestyle and late hours work in the office. Such people are always busy in their routine and have no time for proper food, workout or sleep. They prefer fast food, carbonated drink and coffee in their routine. Example of other social factors include vegetarians, pet loving and transgender customers. Remember it is very difficult to keep all type of customers happy.

## Technological factors

Technology is the most dynamic factor of pestle analysis. Rapid technology advancement and change can impact your restaurant business for sure. How to take

care of your small restaurant business when you are out of the city? You can have a closer look at your employees and other operations by installing CCTV Cameras control with your mobile phone. There are few businesses who use a manual register to take care of restaurants accounts and other related operations. There are several restaurant management and accounting software for example Toast POS and QuickBooks Online with so many options and processes. If this software are used properly it can increase the flow of increase and profitability.

#### Environmental factors

Both the internal and external environment of your restaurant is very important to consider. You should have placed some indoor plants and take care of cleanliness on a regular basis while the external surrounding should be clean and hassle free so that customers can easily reach to your place.

Try to use recycled material and implement a proper food waste management policy. Donate leftover to charity and needy people. Every environmental impact is crucial for business expansion and a loyal customer base

#### Legal factors

Visit of legal and local bodies to check the different food items, quality and expiry and other hygiene conditions

#### Porter's 5 Forces Analysis

Porter's five forces is a valuable tool to understand the dynamics of an industry. The application of the five forces on restaurant industry is discussed as below:

##### Threat of New Entrants

Setting up a new restaurant requires moderate level of investment, making it an easy to enter industry. Another factor which affects the ease of entry for new restaurants is economies of scale, which can be established once the production and other operations achieve efficiency (Lee-Ross & Lashley, 2010). The new entrants also have to consider the fixed cost and operating cost, making sure that they are able to establish cost advantage (Hill & Jones, 2014). One possible way the new players in

this industry attain cost advantage is through making bulk purchases and getting discounted prices. However, the high fixed cost remains a concern for the new entrants, who have to manage their operations, despite having low profitability in the initial stage of business. Keeping these points into view, it can be stated that the restaurant industry has moderate threat of new entrants.

#### Bargaining Power of Buyers

Besides the new entrants, the bargaining power of buyers is another important factor to consider. Since the buyers hold the power to influence the pricing decisions of a company, the restaurant industry is also affected by the buyer's choice and switching behavior (Adhikari & Rao, 2013). Some of the ways through which buyers can effect a restaurant are the changes in prices, the items offered by a restaurant, the quality of the items offered etc. However, the restaurants can't offer over priced items, because that will limit their number of customers. The prices need to be adjusted according to the target market and the affordability of that segment of the market. Based on this analysis, it can be concluded that buyers have a moderate bargaining power in the restaurant industry.

#### Bargaining Power of Suppliers

The suppliers in this industry include the companies provide raw material to the restaurants. According to Chong et al. (2001), the number of suppliers in an industry determine the influence a supplier can have on the purchase decisions of its buyer companies. The regions which are marked with a high number of suppliers of similar raw ingredients, the suppliers have lower power as compared to regions where suppliers are fewer in number. The size of a restaurant is also a determining factor when it comes to the bargaining power of suppliers. Small scale restaurants create a higher supplier power because of the limited order they can generate, while the suppliers have a weaker negotiating position with large scale restaurants which place bulk orders. In order to maintain their business ties with the large firms, the suppliers have to adjust the price of raw material according to the demand of these businesses.

#### Threat of Substitute Products

The restaurant industry has various entities, making it easier for the customers to

make a choice while switching from one restaurant to another. The low switching cost is another factor which makes it easier for a customer to shift their loyalty from one brand to another (Chong, Chen & Chen, 2001). The restaurants can charge a premium price from customers who are focused on quality and amazing dine in experience, while those customers looking for more economical choices opt for a cost-effective outlet (Solomon, 2018). The ease of switching from one restaurant to another, in case if the experience is not according to customer expectations makes this industry having a high threat of substitute products.

### Competitive Rivalry

The higher the number of competitors, the more intense would be the competitive rivalry in the restaurant industry (Chong et al., 2001). These players in the industry strive to keep a larger share in the market than their rivals, while maintaining a flow of profit and supporting the business towards growth. Therefore, the restaurant industry has high threat of rivalry, which makes it hard to maintain high profitability for smaller restaurants. The restaurant industry has intense competition owing to the presence of fast-food franchises and numerous small-scale establishments. The fast-food giants having greater budget of marketing and product innovation are able to maintain an edge over their smaller counterparts. Moreover, there is little customer loyalty so people switch from one restaurant to another according to their demand and preference.



### Chi-square Test

Cross-tabulation between 'Income Level' and 'Frequency of Dine-Out':

Frequency_Dine_Out	1-2 times	10 times or more	2-5 times	5-10 times
250000-350000	6	6	7	7
350000-450000	7	5	3	3
450000-550000	10	10	5	5
Above 550000	2	10	7	7

Chi-square Test Results:

Chi-square statistic ( $\chi^2$ ): 8.87

p-value: 0.45

Degrees of freedom (dof): 9

Expected Frequency

Frequency_Dine_Out	1-2 times	10 times or more	2-5 times	5-10 times
250000-350000	6.5	8.06	5.72	5.72
350000-450000	4.5	5.58	3.96	3.96
450000-550000	7.5	9.3	6.6	6.6
Above 550000	6.5	8.06	5.72	5.72

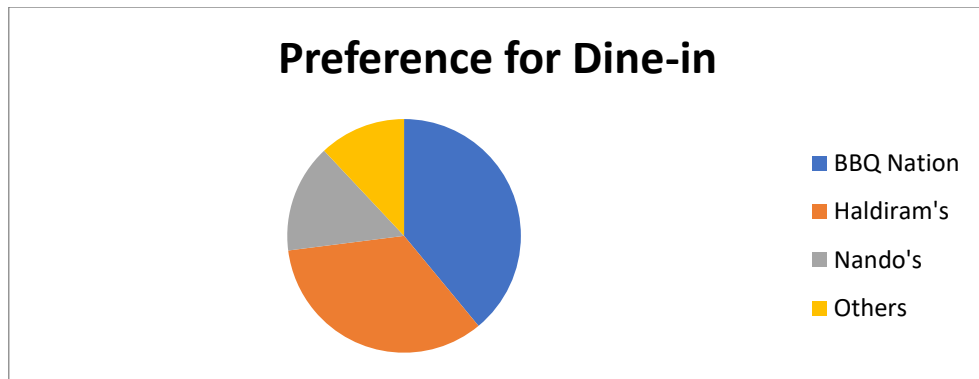
Interpretation:

The p-value of 0.45 is greater than the common alpha level of 0.05, indicating that there is no statistically significant association between 'Income Level' and 'Frequency of Dine-Out'.

This means that based on the provided data, the frequency of dining out does not significantly differ across different income levels.

#### Questionnaire with Answers

1. Which food brand outlet you prefer the most while moving out for a Dine-in?  
(out of 100 responses)
  - a) Barbeque Nation (39)
  - b) Haldiram (34)
  - c) Nando's (15)
  - d) Others (12)



Interpretation- From the above pie chart it interprets that people prefer BBQ nation more over other Brands.

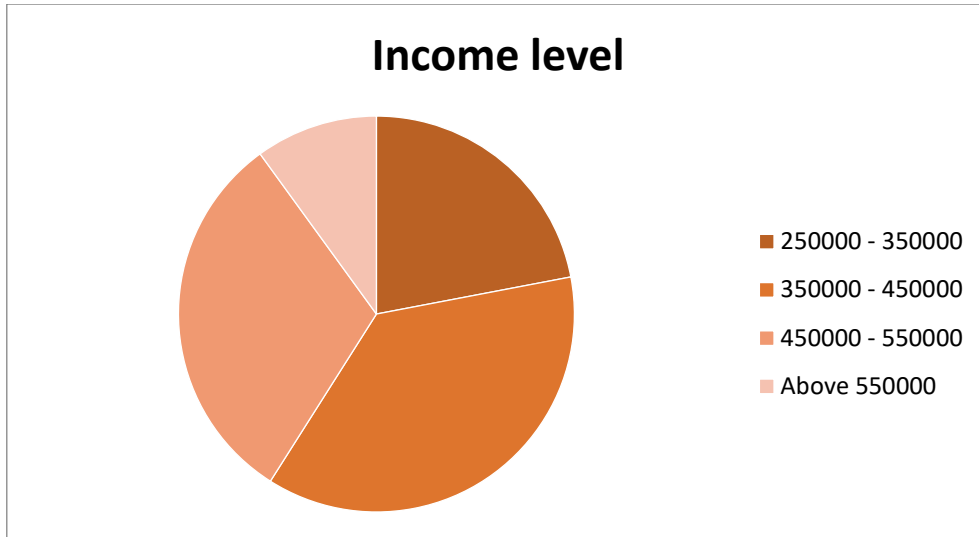
2. Which type of food you prefer?  
 a) Vegetarian (53) b) non-vegetarian (47)



Interpretation- From the above pie chart it clearly indicates that 53% people prefer vegetarian food and 47 % people prefer non veg over it

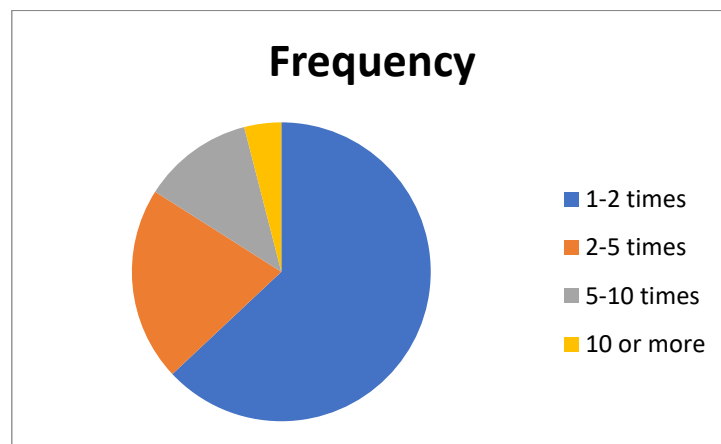
3. Which Family income level do you fall in?
- 250000 – 350000 (22)
  - 350000 – 450000 (37)
  - 450000 – 550000 (31)
  - Above 550000 (10)





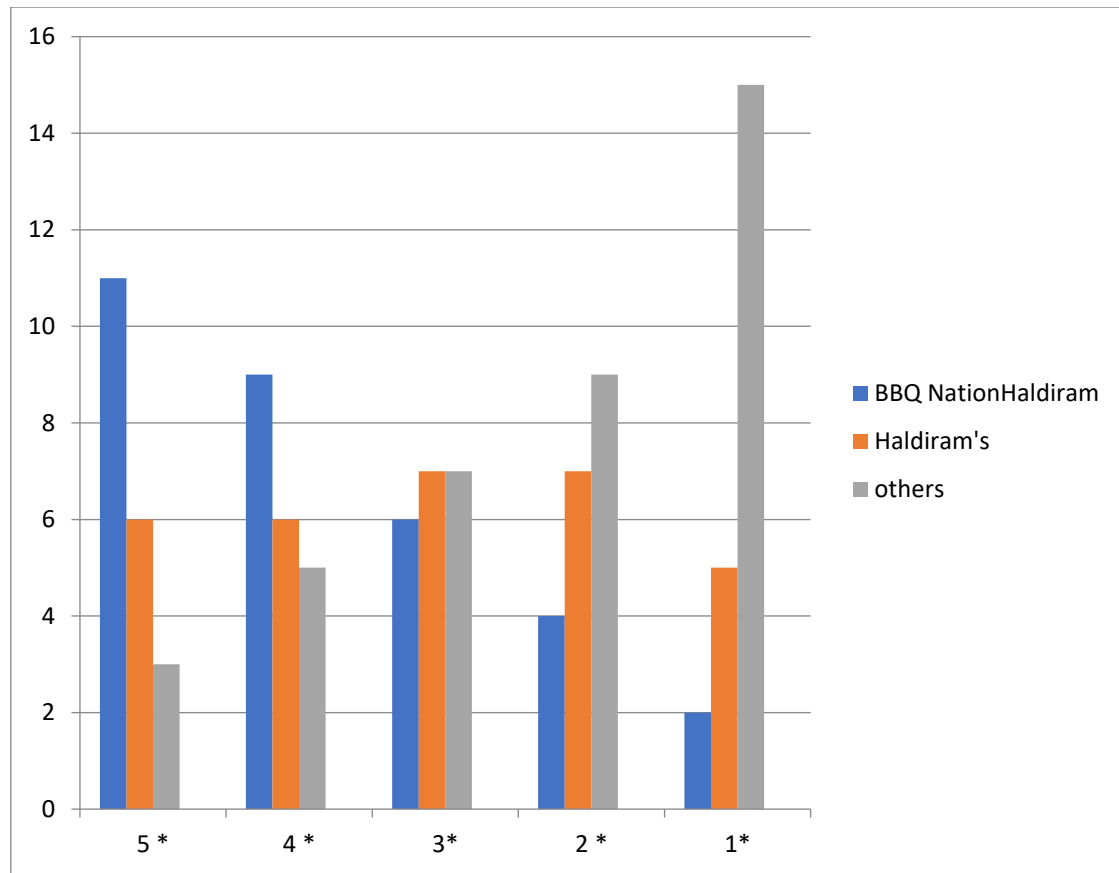
4. How frequently you go out for dine-in a month?

- a) 1-2 times (63)
- b) 2-5 times (21)
- c) 5-10 times (12)
- d) 10 times or more (4)



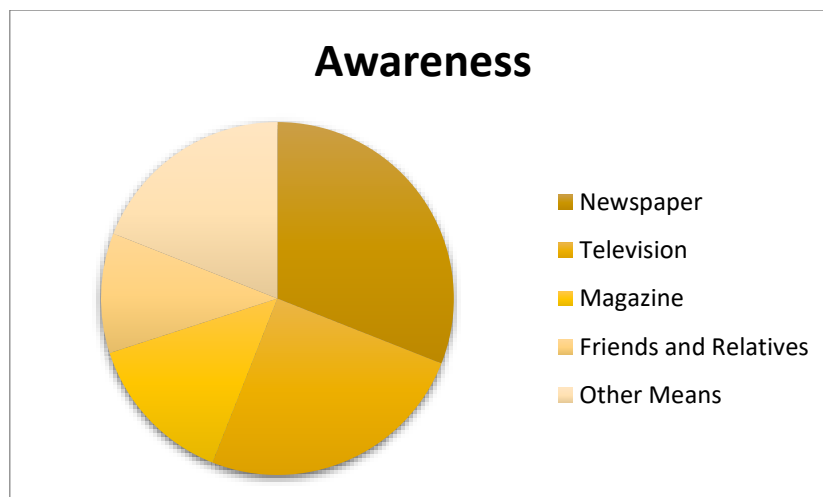
5. How would you rate the quality of food as compared to competitors? (out of 100 responses)

	BBQ Nation	Haldiram's	Other competitors
a) 5	11	6	3
b) 4	9	6	5
c) 3	6	7	7
d) 2	4	7	9
e) 1	2	5	15



6. How did you hear about Barbeque Nation?

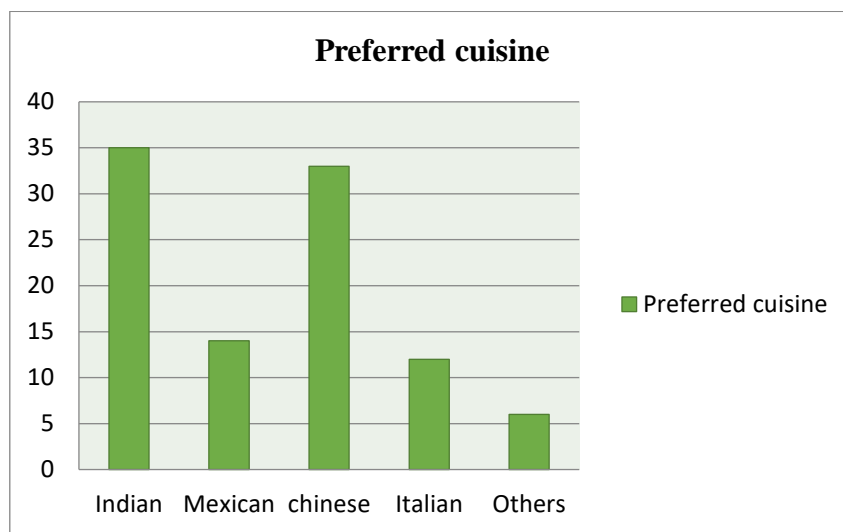
- a) Newspapers (31)
- b) Television (25)
- c) Magazine (14)
- d) Friends and relatives (11)
- e) Other means (19)



Interpretation- From the above Pie Chart it interprets that people became more aware about BBQ Nation through Newspapers.

7. While moving out for dine- in what type of cuisine you prefer-

- a) Indian (35)
- b) Mexican (14)
- c) Chinese (33)
- d) Italian (12)
- e) Others (6)



Interpretation- From the above graph it indicates that people more prefer Indian cuisine over other varieties.

8. Which offer attracts you the most?

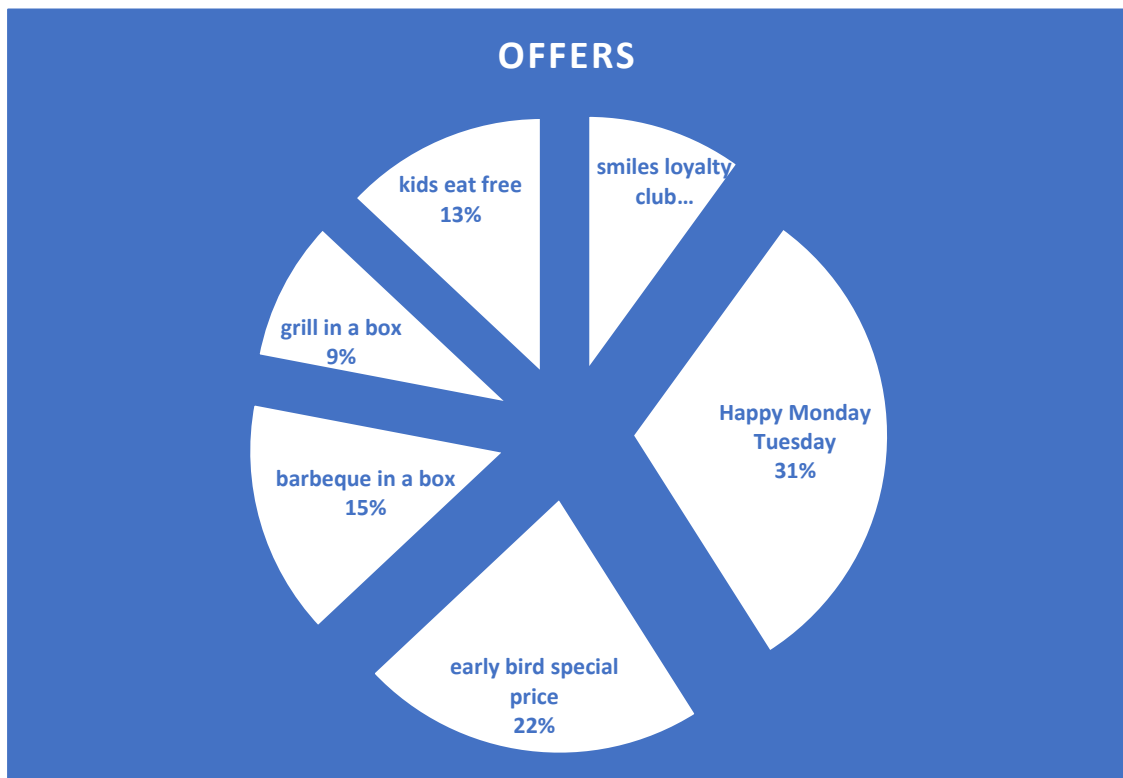
- a) Smiles Loyalty club (10)
- b) Happy Monday Tuesday (31)
- c) Early Bird special price (22)
- d) Barbeque in a Box (15)
- e) Grill in a box (9)
- f) Kids eat free (13)

Interpretation-From the above Pie Chart it Indicates that the offer which attracted the most people was (Happy Monday Tuesday)

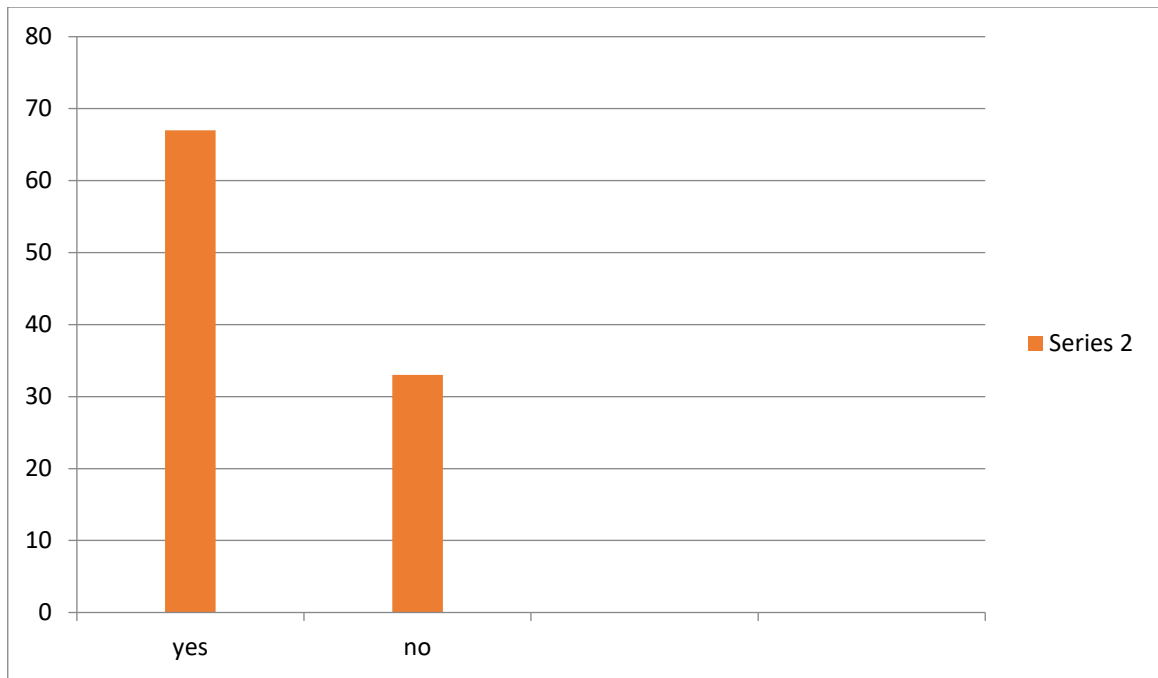
9. Do you prefer any other restaurants like Barbeque nation other than Barbeque Nation?

Responses	Percentages
Yes	67
No	33

Interpretation- According to the graph customer responses about the user of other

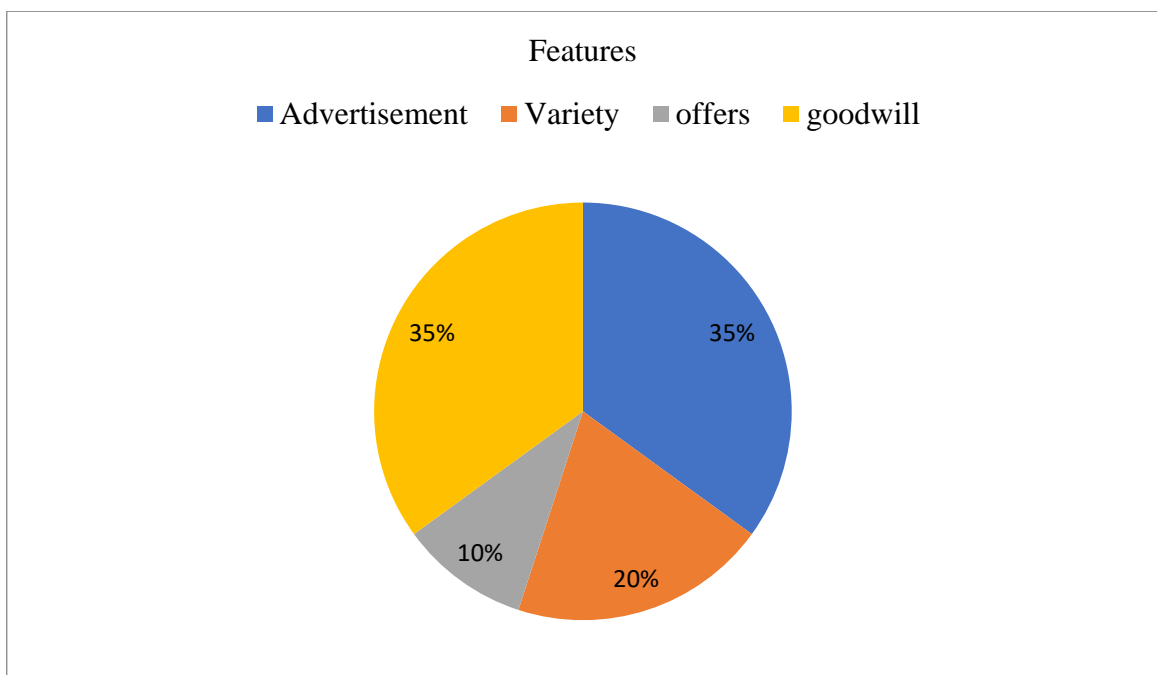


product instead of Barbeque nation, 67 % people replied yes and 33% people replied no.



10. Which feature of Barbeque Nation forced people to prefer Barbeque Nation?

- a) Advertisement (35%)
- b) Variety (20%)
- c) Offers (10%)
- d) Goodwill (35%)

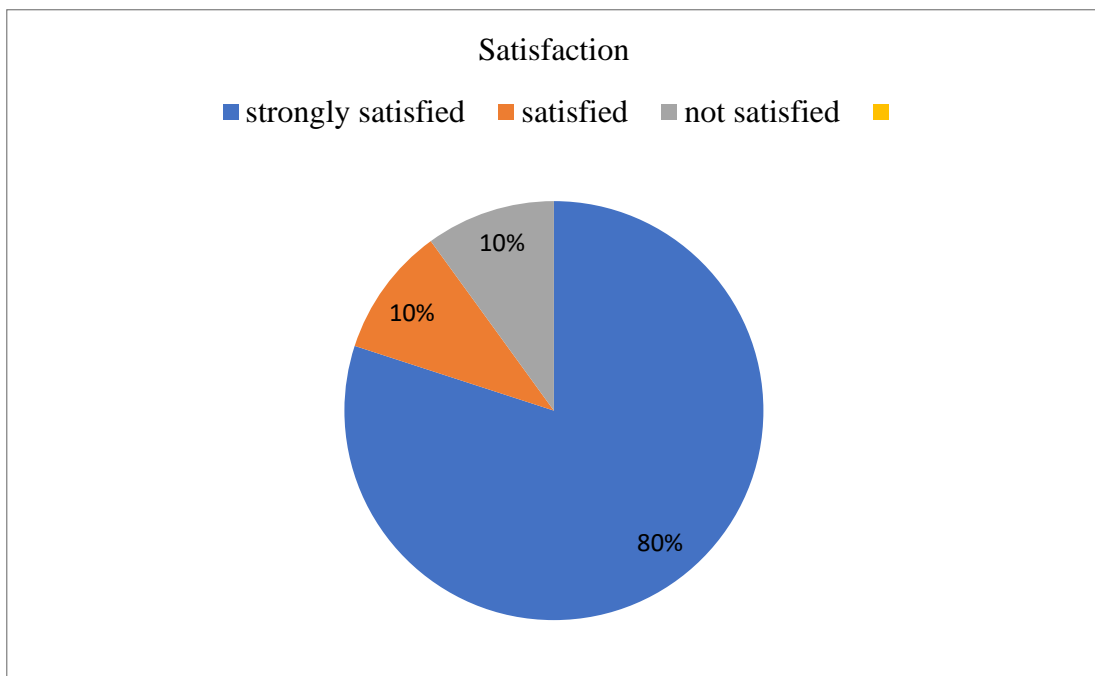


Interpretation- According to the Pie Chart 35% people says that the advertisement force them to use Barbeque Nation, 20% replies that Variety force them to use.

11. How much you satisfied with the services of Barbeque Nation?

- a) Strongly satisfied (80%)
- b) Satisfied (10%)
- c) Not satisfied (10%)

Interpretation- According to the graph 80% people says that they are strongly satisfied with the services of Barbeque Nation, 10% people satisfied with the services of it and 10% not satisfied with the services of Barbeque Nation



## **RECOMMENDATIONS AND SUGGESTIONS**

- Evaluating and optimizing the menu
- Expanding services to more locations
- Encourage employee growth
- Focus on local Marketing efforts
- Focusing more on Influencer Marketing and according to the current trends in market
- Focus more on social media marketing and create more digital presence
- Flexibility and smoothness in running in UI off BBQ App and website.
- Providing more offers and happy hours of discount.
- Relationship marketing focus and employee management

## **LIMITATIONS**

- Every attempt will be taken to obtain the error free and meaningful result but as nothing in the world is 100% perfect I believe that there will still the chance for error on account of following limitations-
- Respondent's unavailability
- Time pressure and fatigue on the part of respondents and interviewer.
- Courtesy Bias



## CONCLUSION

I have concluded that Barbeque Nation is really working well. It has a well reputed Organization having good control of human trainings to teach with good techniques.

Barbeque Nation have done a good job by improving their competencies.

Barbeque Nation is working on their research and development. This is the main reason it is in one of the top positions.

Any Business they should have vision, mission, objective and organizational structure. For cover all the area of Criteria Company need to make or built up a strategic decision by which they can reach in their main goal point. Company should maintain all major process also the other factors.

With this view Barbeque Nation is continuously working in, There are several competitors like Spaghetti Kitchen, Global Fusion, Punjabi by Nature, Haldiram's etc already in the market with somehow similar Game Plan. This project gives the conclusion that with the changing economic and political scenario telecom sector faces many ups and downs.

The project has given a clear cut vision as to how change strategy from other competitors an how to use the strong point and convert the Weak point of other company as an Opportunity

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