Strategic analysis

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Red Robin is a fast foods company that focuses on expanding its boundaries to other regions across the world. Marketing strategies used by the company are numerous. Differentiation is one of the most popular ways through which the company gets to win new clients. Though it does not function like the other normal fast food joints that many people know, to some extent it has the same operating procedure. The only difference is that it has a service strategy where the clients take the drinks without having to carry them like in other companies (John, 1986). In most cases, the company does not do deliveries like the other fast food joints. The company should come up with specific products that are meant to address the needs of different types of clients. The company needs to research on the characteristics of different market segments that can help to increase revenue for the company.

For Red Robin, the company has failed to note the importance of differentiation in marketing. A big company like Red Robin should be able to study the clients with a view of understanding what they like. The company has failed to differentiate the market based on different factors. Though it might appear to be an expensive process, it is likely to make the clients to feel more satisfied by creating a small market segment where they fit. The company is currently marketing its products without considering the fact that there are many market segments that should be attended to. Currently, there are many small companies that are trying to fill the small market segments. The fact that this is a big company does not mean that it should only focus on the large market segments. The growth of the small companies starts with the small market segments and this reduces the number of clients who opt to buy the company’s products. Differentiation helps such big companies to address the smaller market segments that are always increasing in number. The reason why this company might experience reduction on revenue is the fact that they continue to assume the small market segments (Sharp et al., 2001).

Marketing strategies can either make a company to be successful or to fail. A company that aims to address the needs of every client in the market has the ability to increase sales. Once the clients notice that the company is always striving to satisfy them, they will also refer other clients to the company. For example, when it comes to pricing, the company can come up with convenient packaging and prices based in the regions they wish to sell such products. There are clients who may not be able to afford the large packages. The company should strategize with an intention of ensuring that they understand the market well.

The internal environment of this company supports such a strategy. The company is always involved in research with the aim of satisfying the clients. The same amount of energy should be focused on researching how to use differentiation in marketing with the aim of increasing the market share. The external environment is also conducive for such a strategy. Currently, different people have their own definition of how they wish to have their food. When the company carries out a research to define the different types of clients and what they like, the company will definitely come up with a comprehensive way of addressing the issues. This can be a good long-term strategy that can help to win more and more clients over time. Continued research will continue to define new market segments that can be addressed by coming up with products that are mainly meant to satisfy such a group of people (John, 1986). The revenue collected from sales will also increase in the long run.

References

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