

Chapter 6

Competitive Forces in Food Service

COMPETITIVE CONDITIONS IN FOOD SERVICE

- Managers must pay attention to competition now more than ever because of the following:
- There are more competitors than ever
- The “pie” is only so big
- The market is growing more slowly than in the past
- Markets are changing

COMPETITIVE CONDITIONS

- Some notes to consider:
- Slim profit margins at risk
- Shortage of prime locations left
- Entry of more domestic competitors
- Entry of international competitors
- Continued dominance of chains
- New business environment—some companies have left food service