

International Business 3



C00281780 – Daniel Uchendu
C00314553 – Anais Peyranne
C00313610 – Zhi Lin





Summary

- Introduction – History
- International expansion
- Brand identity
- Number and range of markets
- Market Selection Criteria
- PESTEL
- Demographic – Physical
- The market size : Competitors – Target customer – geographic segmentation and distribution
- APEC
- Conclusion



Introduction

International restaurant chain

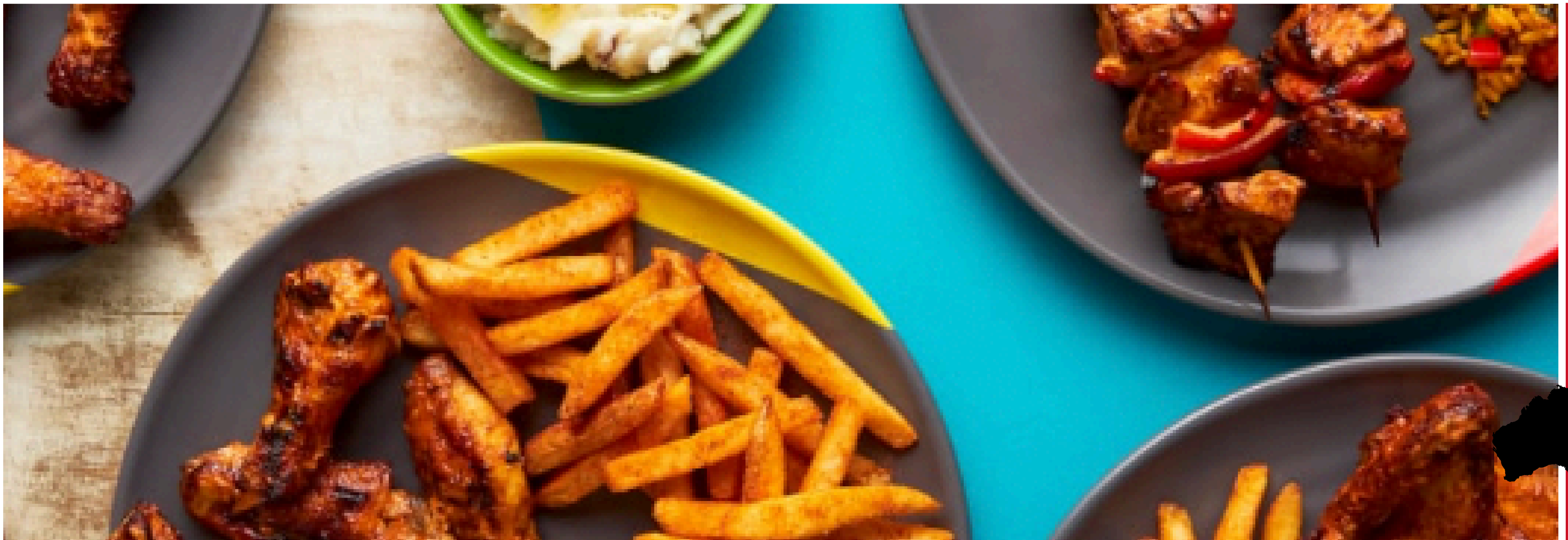
South Africa

Created in 1987

Objective: to rank among
the competitors



Thoughtcorp (2023)



History

Founded in 1987 in Rosettenville

By two friends, Fernando Duarte and Robert Brozin

Who ate in a Portuguese restaurant called "Chickenland"

Seduced by the unique flavors

They bought the restaurant and renamed it Nando's



Thoughtcorp (2023)



Speciality

Piri-piri chicken

Is a small variety of chili
pepper

Originally from Mozambique

which has a strong Portuguese influence
due to colonization

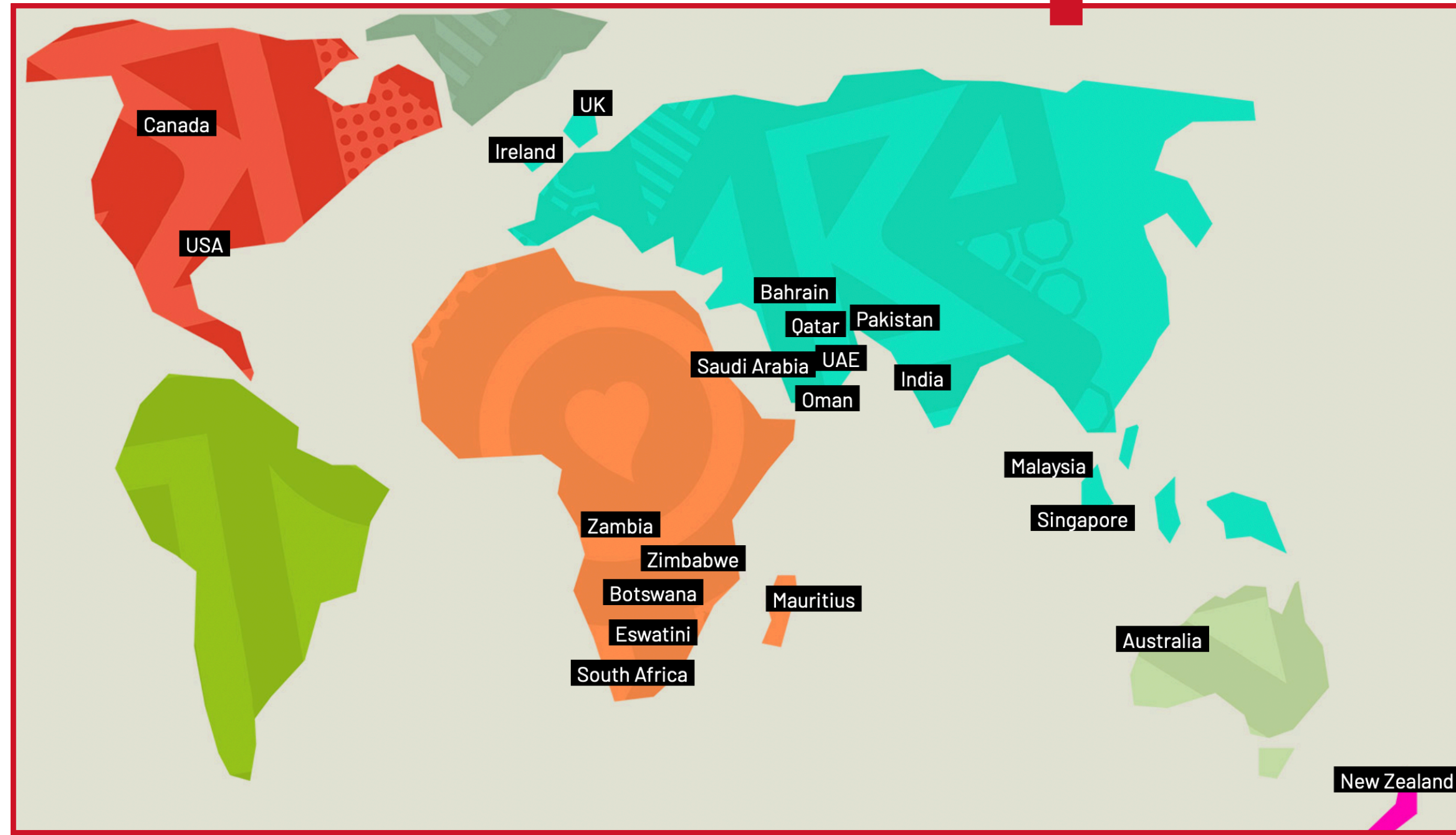
**Nando's has incorporated this sauce
into its dishes**



Thoughtcorp
(2023b) PERi-
PERi at home!



International Expansion



World – Nando's (2023)



International Expansion

1,200 points of sale, 35 countries

1990s: Nando's begins to expand in South Africa

The first restaurant outside Africa opened in the UK in 1992

Present around the world, including the UK, Canada, and several countries in Asia and the Middle East.

The UK is the most successful market for the brand, with hundreds of restaurants.



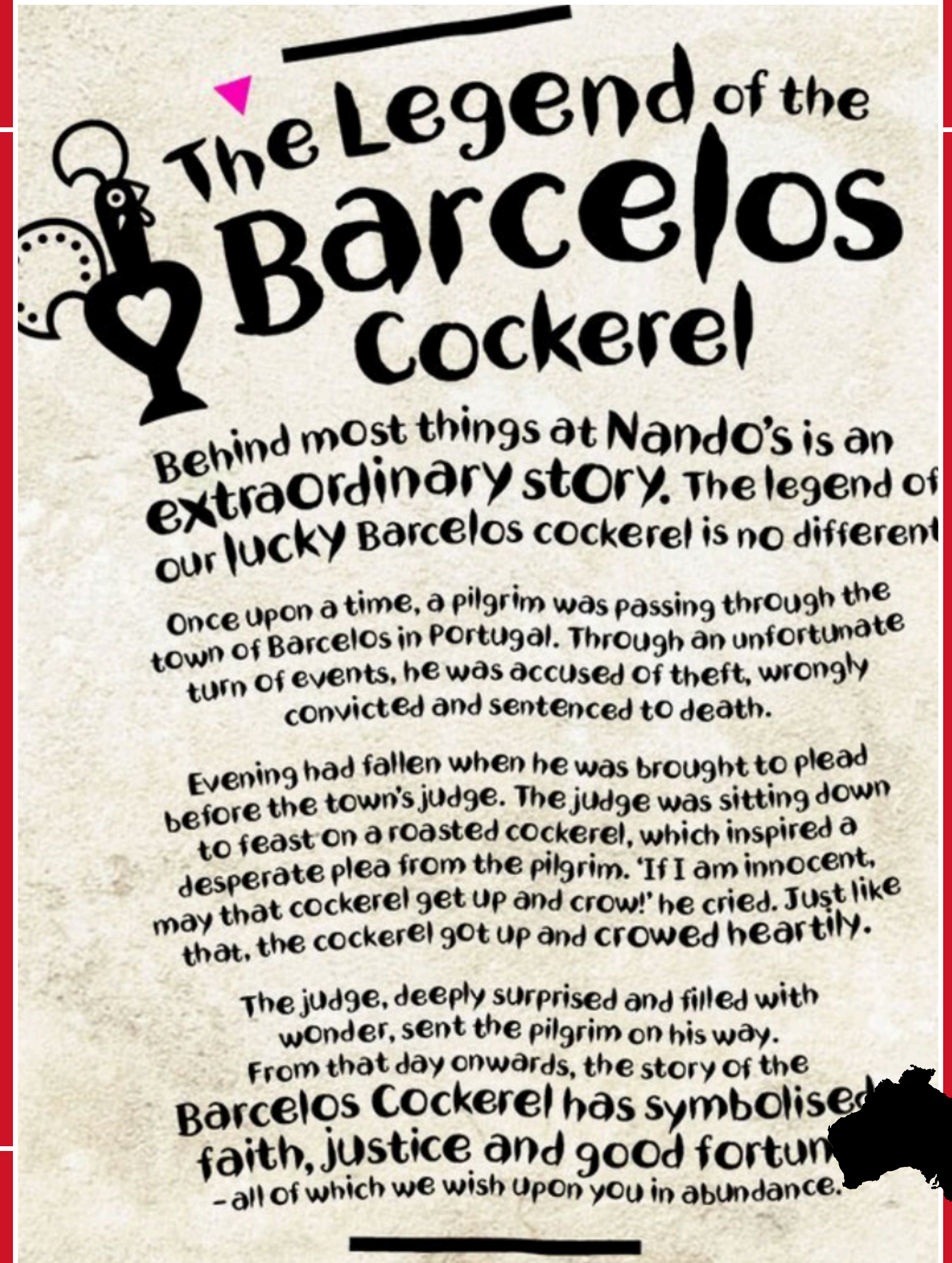
Brand Identity

Artist Marks Salimu, who hand-painted each letter on wooden panels, giving birth to a new typeface.

The titles are tilted at an angle of 87 degrees for the 1987 creation.



Thoughtcorp (2023a) Our look – Nando's



Brand Identity

Vibrant colors, incredible patterns. African design to remind us where the company comes from.



Inspired by the beloved rooster



Flame represents the grill



Triangle means family in South Africa



Piment, the eye of an African bird



Brand Identity

Here are the different motifs displayed in restaurants



First and second logo



1 – Minimalist red and black rooster emblem

2 – Slimmer contours

2 – Red heart on black heart of rooster enlarged, customer as main value

2 – Two green leaves have been added on either side.



Second and final logo



3 – Work by local artisans

3 – More pronounced heart

3 – Peri-apostrophe resembling the shape of the African chili eye.



Facts and figures about Nando's

The first Australian Nando's first opened up in the year 1991 in Tuart Hill in the Perth suburb

In the south-west of the country



(O'Connell, 2024)



Facts and figures about Nando's

Nando's as an operation has been around for a total of 37 years

Nando's in australia has been operating for a total of 33 years



(O'Connell, 2024)



Number and range of markets

In 1995 there was a total of 8 Australian nando's in the country

By 2008 there was a total of 208 nando's

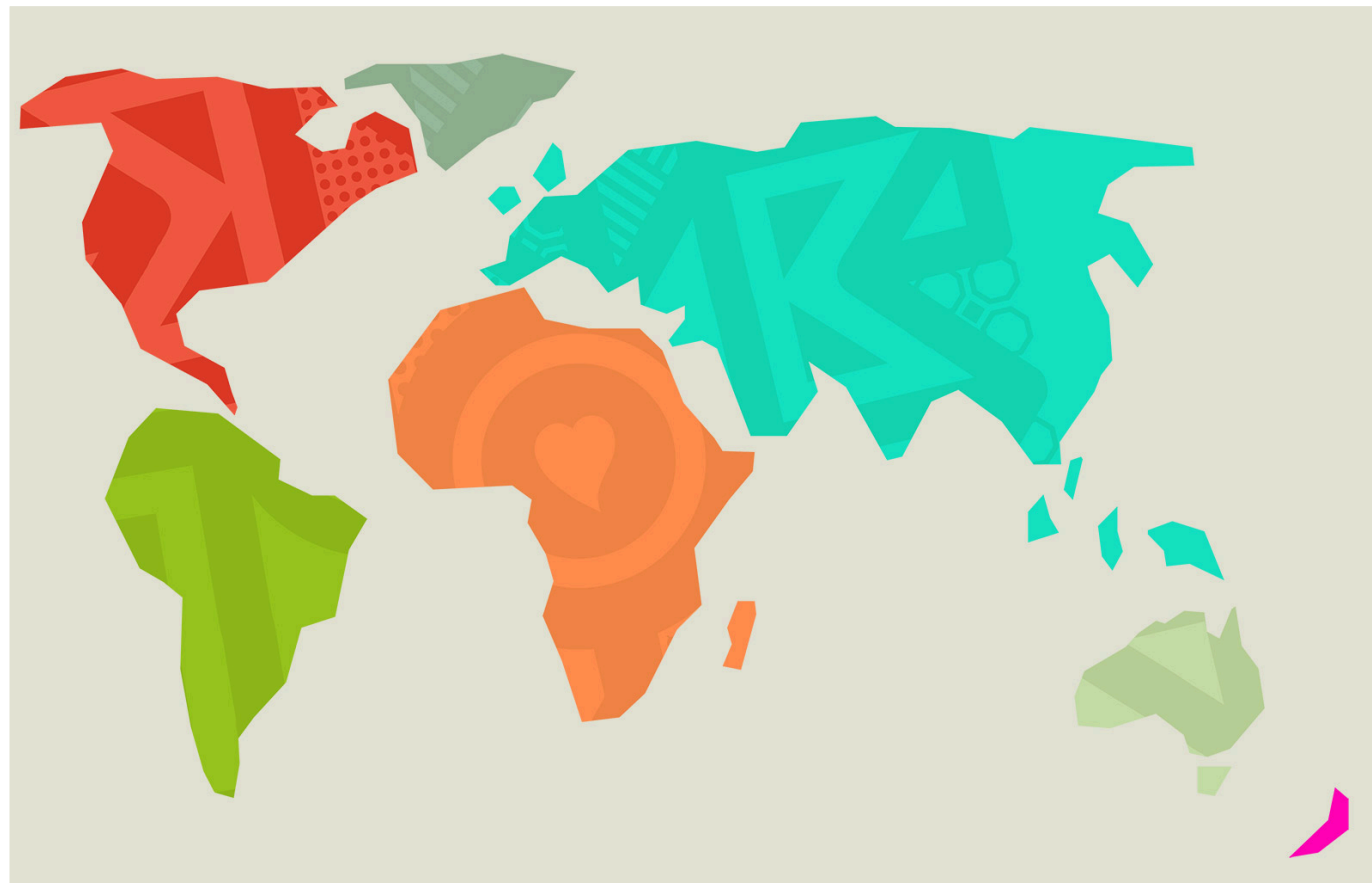
An increase of over 200 in 13 years



(O'Connell, 2024)



Number and range of markets



Australia is one of 20 markets that nando's operate in world wide

The countries nando's operate in range from

- Malaysia
- India
- Aambia
- Zimbabwe
- New zealand
- Ireland

(Nandos, 2023)



Number and range of markets

Australia is currently Nandos third biggest market.
The UK is its biggest Market.

Over a vast population of 26 million there are 234 restaurants.

This makes Australia with the highest restaurant inhabitant density.

A restaurant for every 125,698 people, in Victoria with about 39% of the total number of Nando's restaurants

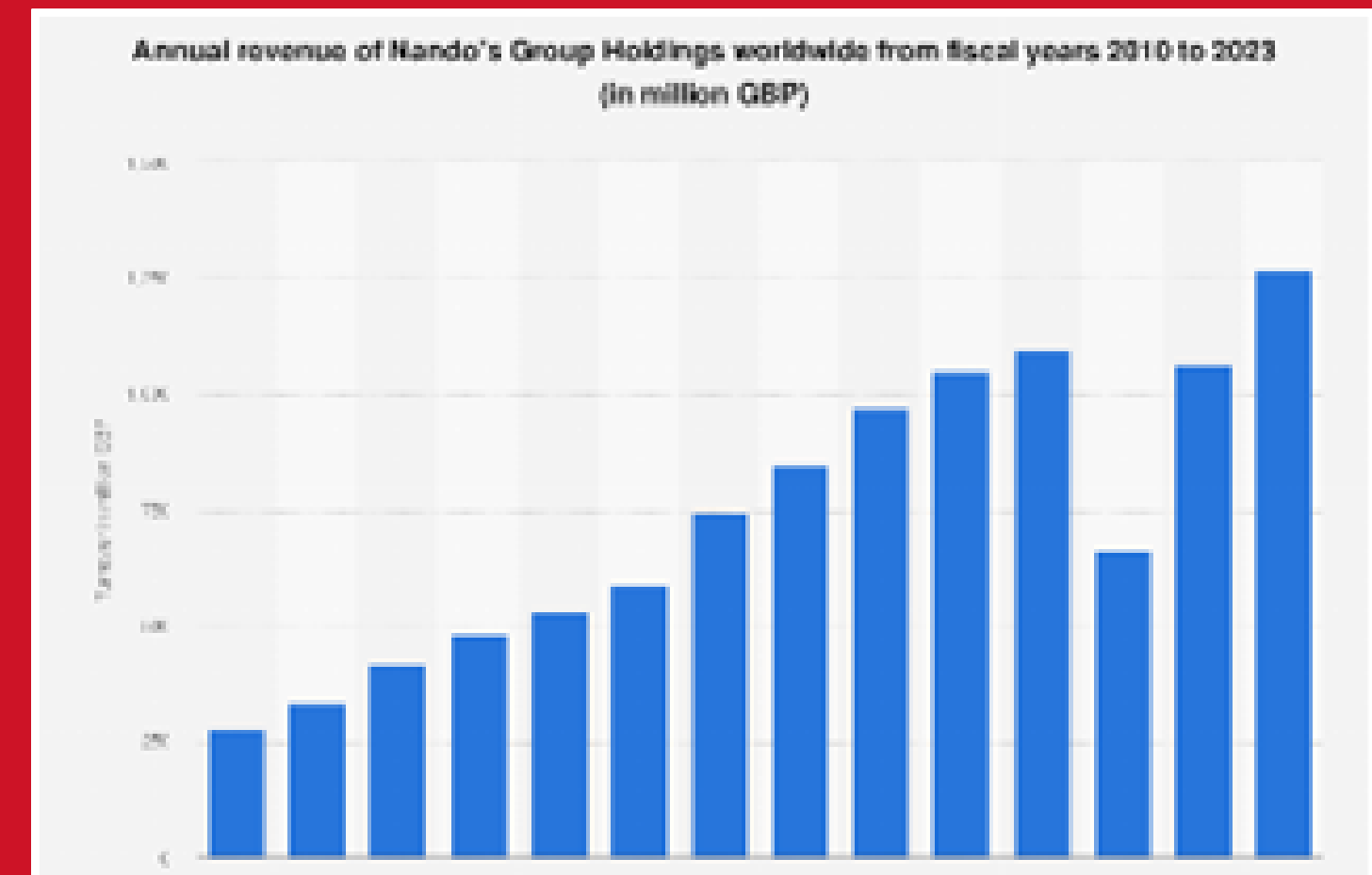
(The history of Nando's 2022)



Turnover of the business

Nando's group holdings hit a high of approximately 1.27 billion British pounds in the financial year ending in 2023.

The year the company received a revenue loss was 2021

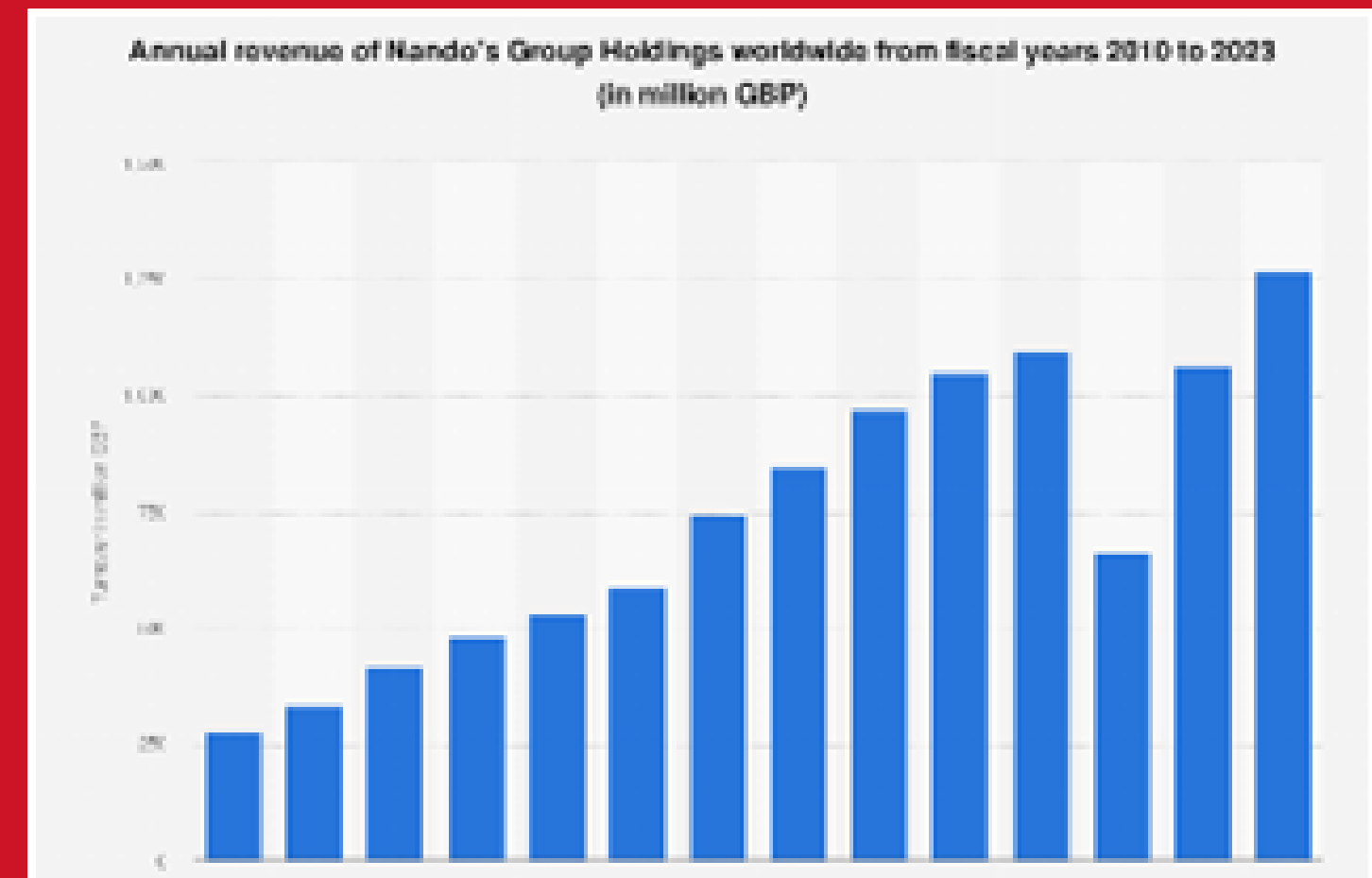


(Statista Research Department & 9, 2024)



Turnover of the business

Nandos in Australia estimated annual revenue is currently 75m year



(Growjo, 2023)



Market Selection Criteria

High Consumption Per Capita
(Food and Beverage)

Limited Competitors

Available Distribution Channels



Market Selection Criteria

Middle to High-Income Levels

Positive Consumer Attitudes



Statista (2024) Fast food restaurants in Australia
hungryforgoodies(2019)Nandos Peri Peri Chicken Recipe



Market Selection Criteria

Middle to High-Income Levels

Positive Consumer Attitudes

Tourism

Growing Population



Political Opportunities



Politics in Australia takes place in a parliamentary democracy based on the Westminster systems .

Australians elect their state and territory legislatures, as well as the two-chamber Federal Parliament.



Charles III, King of Australia.
strong economic performance
Stable democracy

(annamoney.au, 2024)



Political Threats



Australia is a constitutional monarchy and out.

Regulatory changes

Health campaigns

Environmental regulations



(Makos, 2024)



Economic



In 2023, GDP in Australia amounted to about 1.62 trillion euro

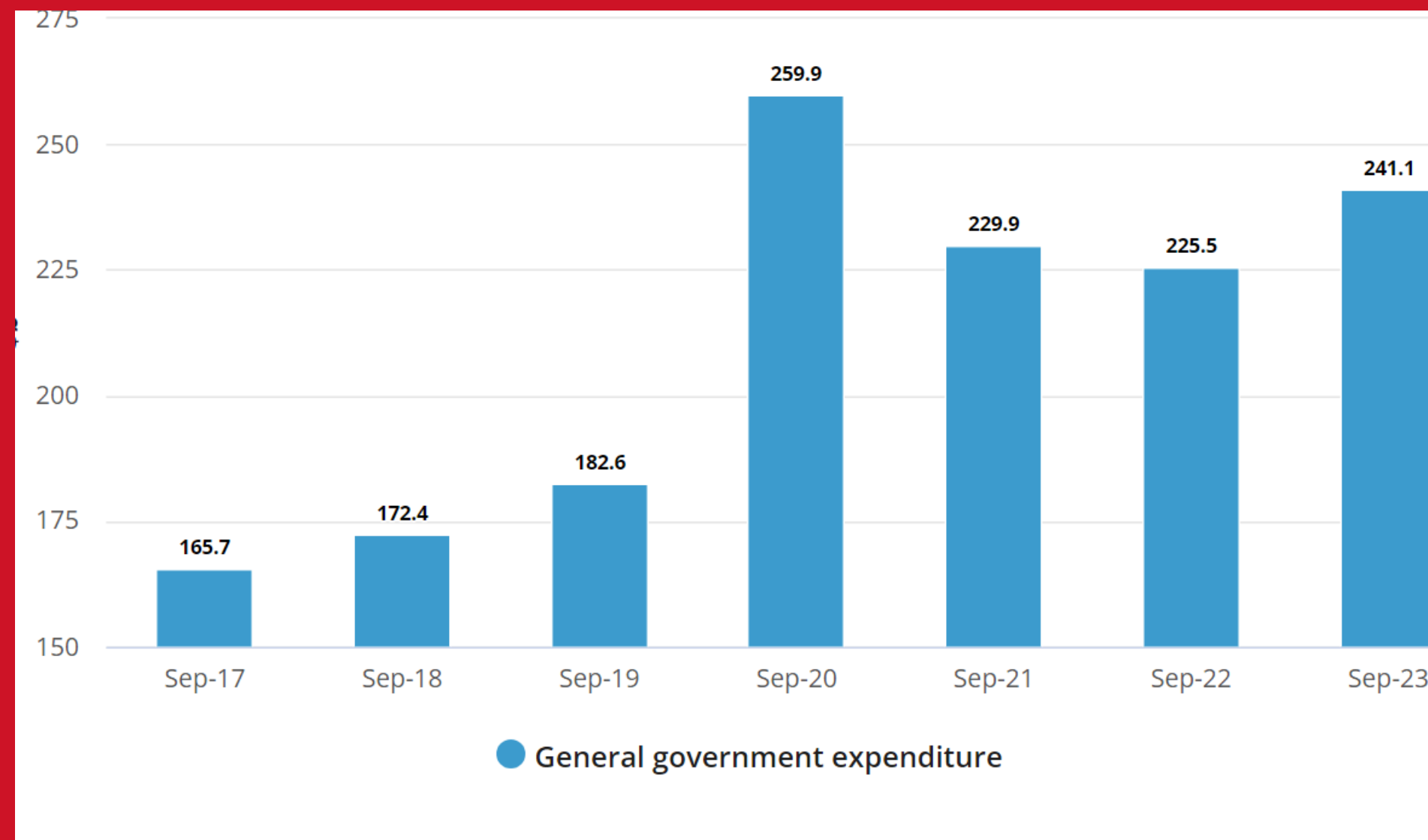
Australia Gdp per capita is 60810 euro

One of largest economies in the world!

(statista, 2024)



Economic



241.8 billion euro was the government expenditure in 2023



(statista, 2024)



Economic- pros/cons

Almost half of a australia population are employed
employemnt rate of 63%

The inflation rate is a slight area of concern but it
currently sits at 3.5% as it dropped 2.1 from the
previous year

Australia has been able to be recssion proof the past 20 years due to
their mining boom



Exchange rate

1.00 aud is equivalent to 0.61 cents in euro

As 2024 australia dollar is strong as 1 us dollar is 1.53 aud

Strength is due to weakness of us dollar australia high interest rate

Although australia economy is in healthier place than other currencies



Economic

Opportunities

A lot of people have capital as many are employed

australia currency is strong

Strong gdp more investents in comapny

Threats

Increased labour costs for nandos

Flucating inflation increase market competition for nandos







Reduced consumer spending from



Socio-cultural Opportunities

- Health and Wellness Trends
- Diverse Food Culture

Popular this week

					
PERi Pineapple Sanga From \$16.95	Whole PERi-PERi Chicken + 2 Large... \$34.95 5,780kJ	Avo Parmesan Crunch with Protein From \$17.95 1,780kJ	Paella From \$13.95 2,330kJ	Roasted Broccoli with PERi-crackle \$7.95 1,210kJ	1/2 PERi-PERi Chicken \$15.95 2,990kJ



Socio-cultural Threats

- Vegetarian Trends in Australia
- Competitive Pressure from Diverse Local Cuisines



Roymorgan(2016)The slow but steady rise of vegetarianism in Australia,
Expertmarketresearch(2023)Australia Vegan Food Market Report and Forecast 2024–2032



Technological Opportunities

Australia: a highly advanced technological country

Government investing heavily in the digital economy

Leader in the renewable energy sector

For the company :

Loyalty application

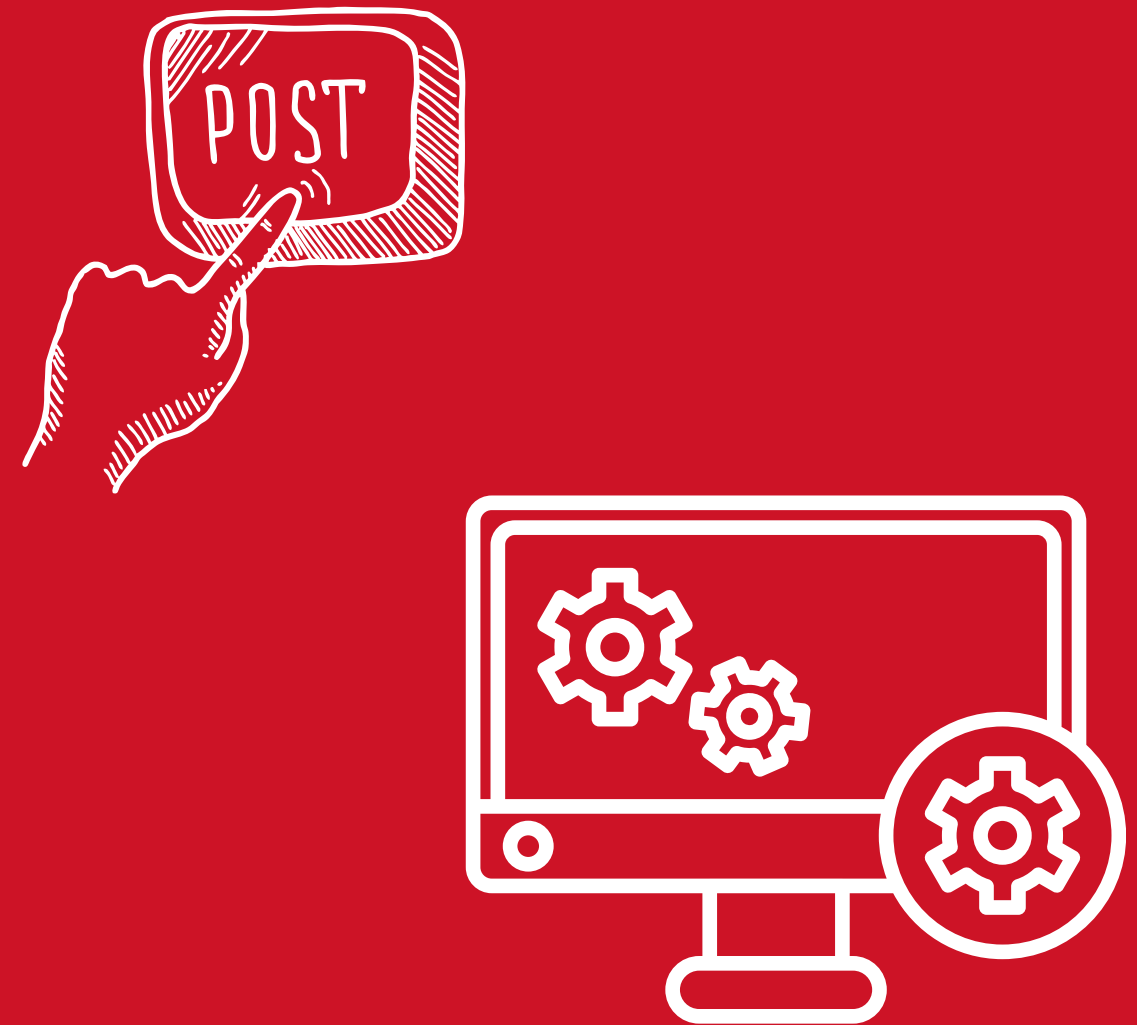
Presence on social networks

Home delivery



Technological Threats

Shortages of skilled digital workers



Environmental Opportunities

Food waste is a major environmental issue in Australia.



With Australia's focus on reducing single-use plastics

Prod, J. (2021) Analysing the behaviours that influence food waste in Australian households
dcceew(2023)How you can reduce plastic waste



Environmental Threats

Impacts of climate change
on agriculture

- Extreme drought
- Forest fires



abc.net.au (2020) To overcome bushfires and floods, Australian agriculture needs to innovate and collaborate



Legal Opportunities



Laws on fair trade, competition and consumer affairs.

The Fair Work Act is the main piece of legislation governing employment in the country.

Privacy laws

Independent legal system / common law, highest jurisdiction



Demographic

Australia is the sixth largest country in the world!

Population of around 26 million inhabitants

It is recorded that almost 55% of their population are above the age of 35

Their birth rate is double their death rate—which makes them highest natural growing population of any high income country



(statista, 2024)



Demographic

Opportunities

Larger market size

Brand loyalty

Product and service
innovation –High birth rate

Threats

Intense competition

Innovation fatigue–older market

Market saturation

(statista, 2024)



Physical

Majority of inhabitants live in the major cities

Most populated states are South wales, Victoria and Queensland



Australia is usually sunny country its climate would be described as arid

Only half of 15 million people living in major cities have access to public transport

Australia ranks 20th on progress towards sustainability

(Woodley, 2024)

(statista, 2024)



Physical

Opportunities

Majority of nandos stores within most populated cities

Weather does not effect the purchase of nandos product

Most inhabitants live in major cities

Threats

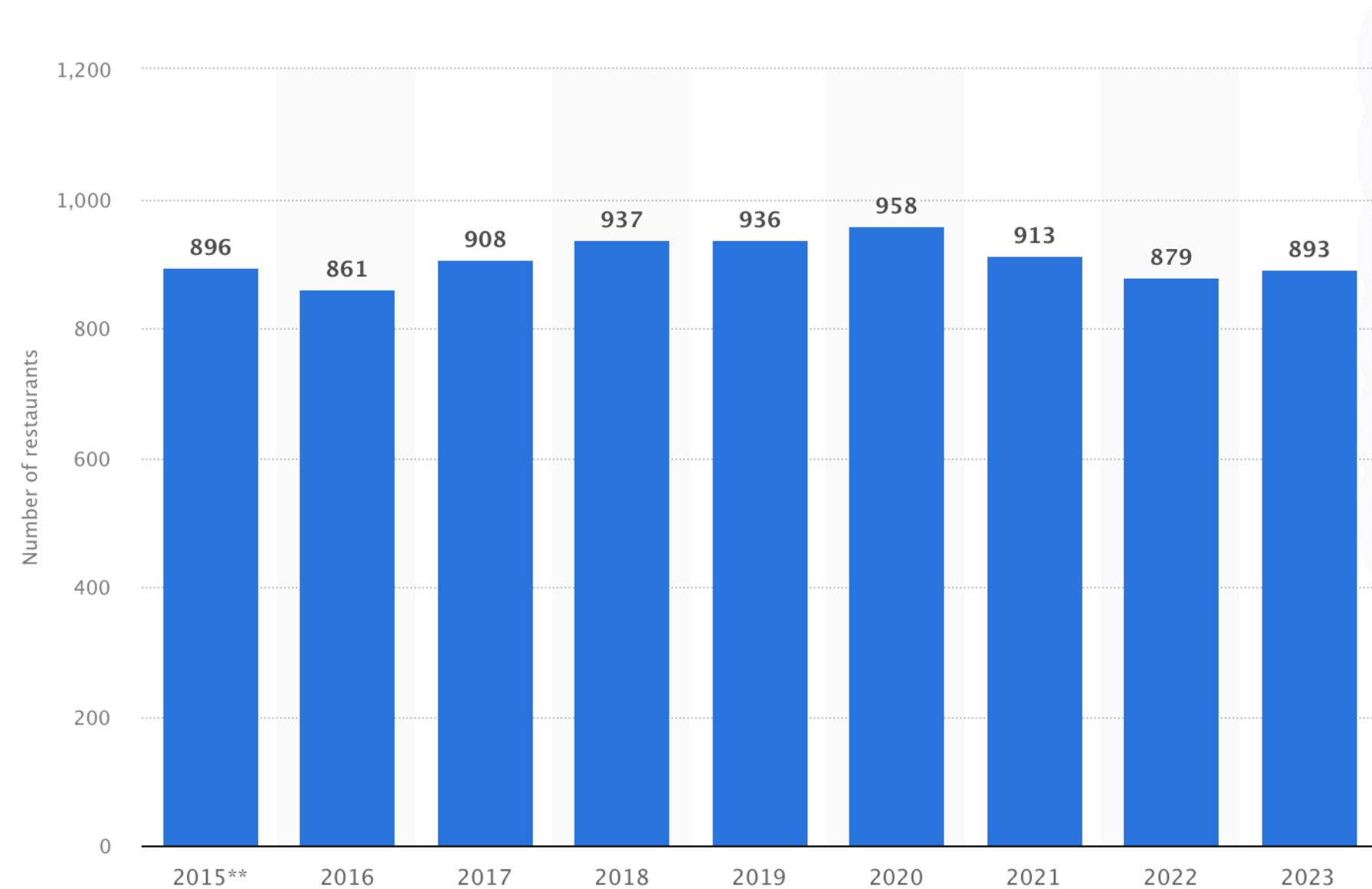
Transportation is not the best

Health and safety concerns

(statista, 2024)



The market size



Number of restaurants
operated by Nando's Group
Holdings from 2015 to 2023

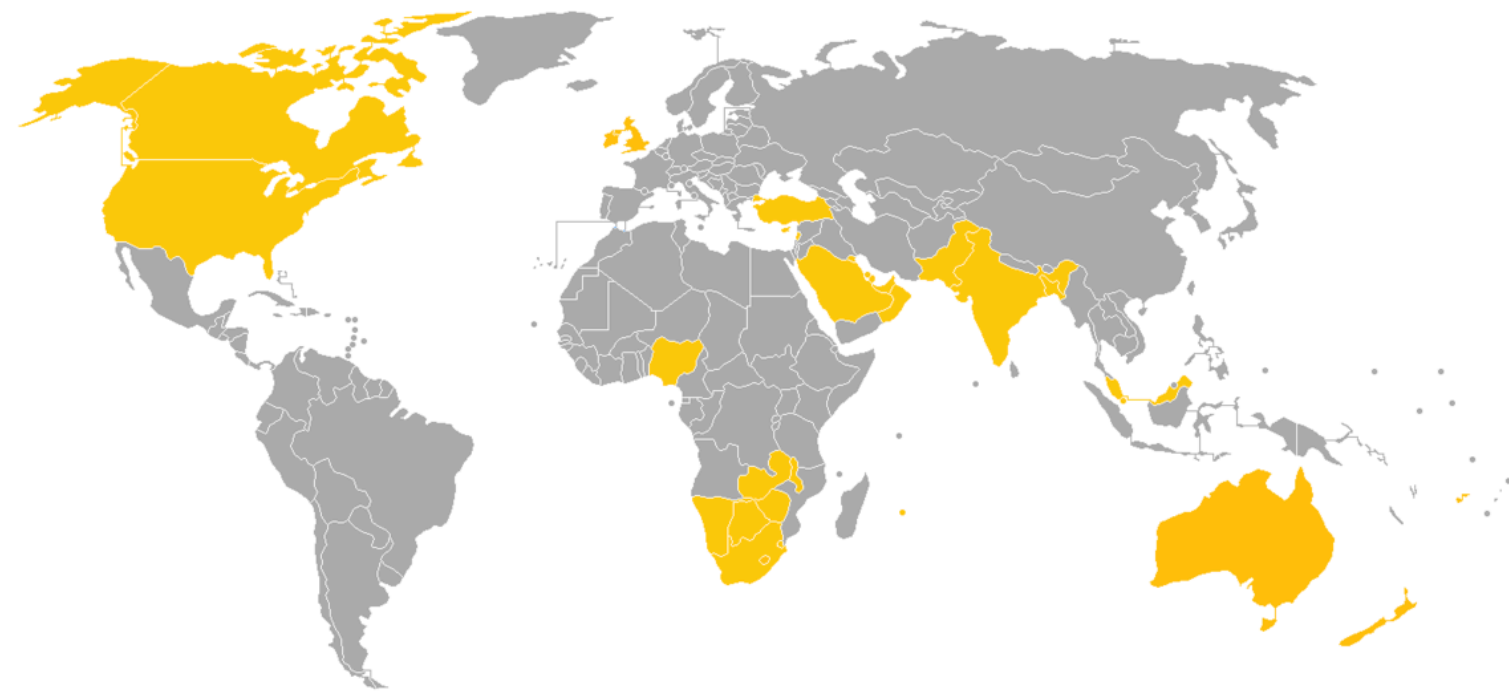
Statista (2024) Number of Nando's restaurants 2015–2023



The market size

Countries with the most Nando's :

- United Kingdom : 392
- South Africa : 259
- Australia : 243
- Malaysia : 61
- Canada : 30



1186 Nando's in the whole world

243 restaurants in Australia over the population 22,7 million makes.



The market size

Overall fast food market is valued to be
at 25 .2 billion aud dollars

1.1% Increase from previous year



(IBISWorld, 2024)

Market trends

Health consciousness

Digital transformtion

Delivery services

Fast Food Industry Statistics



(expertmarketresearch, 2024)



The market size

Opportunities

Growing market for international cuisine

Increasing demand for vegetarian meal options

Increasing online ordering and delivery options

Threats

Intense competition

Variability in import and production costs

Strict health and nutrition regulations



Competitors

Direct

- KFC
- Red Rooster



Indirect

- Macdonald's
- Grilld
- Dominos
- Hungry Jacks
- Pizza Hut
- Zambrero



Target customers

- Generation Y, aged 18 to 30
- Generation X, aged over 30
- Graduates, young professionals, young families
- Middle to upper class



Geographic Segmentation

- Outlets located in shopping centres
- A street-side outlet

Unlike KFC or Burger King, which have mixed locations.



Distribution Channels

- **Direct distribution:** Delivering products to the restaurant, for quality
- **Centralised distribution centres:** Presence in different regions to reduce costs.
- **Relationships with suppliers:** Strong relationships for a steady supply of high-quality ingredients.
- **Cold chain management:** Ensuring the freshness and safety of its products.
- **Online ordering and delivery:** Online ordering and delivery services. Order via the company's website or mobile application.

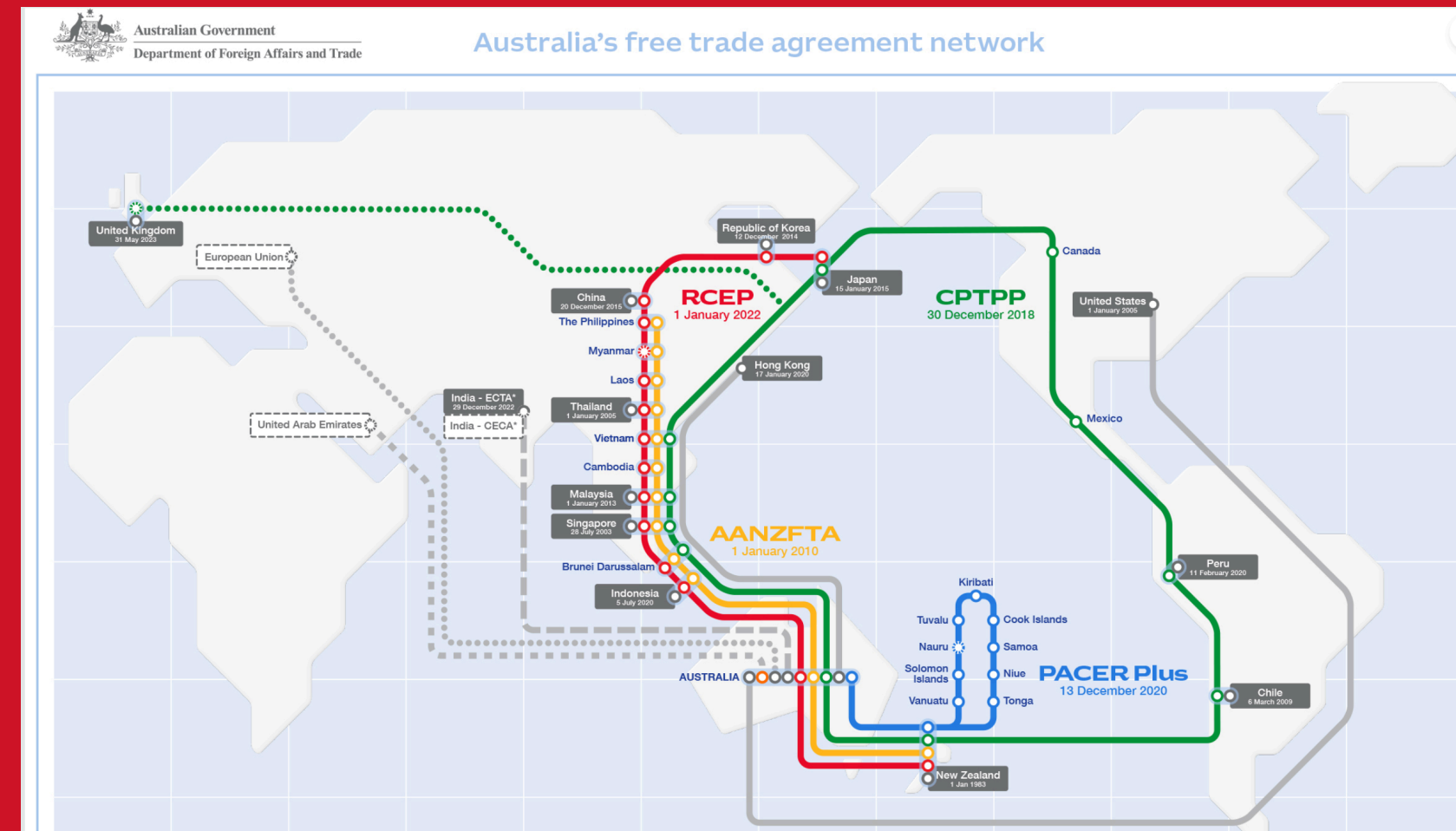


APEC The Asia-Pacific Economic Cooperation

Logistics and supply chain advantages

Investment promotion

Reduction of tariff barriers



About APEC | APEC (2024)- emersoneconomics(2023)Simplifying APEC trade is even better than cutting tariffs
apec(2024)About-APEC



Conclusion

Is the market attractive to the company?

Available Distribution Channels

Growing Population

Middle to High-Income Levels

Limited Competitors

Australia meets most of the market selection criteria for Nando's



High Consumption Per Capita
(Food and Beverage)

Tourism

Positive Consumer Attitudes



aabs.gov.au. (2022) Monthly Household Spending Indicator. Available at: <https://www.abs.gov.au/statistics/economy/finance/monthly-household-spending-indicator/jan-2022> (Accessed: 10 November 2024).

Bibliography

- Thoughtcorp (2023)
- Thoughtcorp (2023b) PERi-PERi at home!
- World – Nando's (2023)
- Thoughtcorp (2023a) Our look – Nando's
- Nando's Logo and symbol, meaning, history, PNG, brand
- Statista(2024)Fast food restaurants in Australia.Available at: <https://www.statista.com/topics/11386/fast-food-restaurants-in-australia/#topicOverview>(Accessed 2 Oct. 2024).
- hungryforgoodies(2019)Nandos Peri Peri Chicken Recipe.Available at:<http://www.hungryforgoodies.com/2019/04/ingredients-1-yellow-bell-pepper-diced.html>
- Nandos(2024) Menu.Available at : <https://www.nandos.com.au/menu>(Accessed 9 Nov. 2024).
- Roymorgan(2016)The slow but steady rise of vegetarianism in Australia.Available at:<https://www.roymorgan.com/findings/the-slow-but-steady-rise-of-vegetarianism-in-australia>
- Expertmarketresearch(2023)Australia Vegan Food Market Report and Forecast 2024-2032.Available at:<https://www.expertmarketresearch.com/reports/australia-vegan-food-market>
- Rahman, M. (2023) PESTEL analysis of Australia
- Prod, J. (2021) Analysing the behaviours that influence food waste in Australian households



Bibliography

- abc.net.au (2020) To overcome bushfires and floods, Australian agriculture needs to innovate and collaborate. Available at: <https://www.abc.net.au/news/2020-02-26/australian-agriculture-fresh-produce-bushfire-destroyed-image/11994398> (Accessed 9 Nov. 2024).
- Statista (2024) Number of Nando's restaurants 2015–2023
- Walford, G. (no date) The 10 biggest fast food franchises in the Australian market
- George Business Review (2022b) Unique Selling Points of Nando's
- Studocu (no date) [Solved] Discuss the Distribution strategy of Nandos
- About APEC | APEC (2024) Available at: <https://www.apec.org/About-Us/About-APEC> (Accessed 9 Nov. 2024).
- emersoneconomics(2023) Simplifying APEC trade is even better than cutting tariffs. Available at: <https://emersoneconomics.com.au/analysis/simplifying-apec-trade-is-even-better-than-cutting-tariffs> (Accessed 9 Nov. 2024).
- aabs.gov.au(2022) MonthlyHouseholdSpendingIndicator. Available at: <https://www.abs.gov.au/statistics/economy/finance/monthly-household-spending-indicator/jan-2022> (Accessed: 10 November 2024).
- O'Connell, J. (2024) Nando's first Australian restaurant-australian food history timeline, Australian Food Timeline. Available at: <https://australianfoodtimeline.com.au/first-australian-nandos-opens-in-perth/> (Accessed: 10 November 2024).
- World (2023) Nando's. Available at: <https://www.nandos.com/world/> (Accessed: 10 November 2024).



Bibliography

- The history of Nando's (2022) The History of Nando's | Rate YOUR Nando's - The Nando's Review Website. Available at: <https://www.rateyournandos.com/nandos-history> (Accessed: 10 November 2024).
- Growjo (2023) Nando's Australia revenue and competitors, Nando's Australia: Revenue, Competitors, Alternatives. Available at: https://growjo.com/company/Nando's_Australia (Accessed: 10 November 2024).
- Woodley, M. (2024) Australia's public transport systems rated from best to worst, Time Out Australia. Available at: <https://www.timeout.com/australia/news/ranked-public-transport-in-australias-biggest-capital-cities-rated-from-best-to-worst-070824> (Accessed: 10 November 2024).
- World, Inc. (no date) IBISWorld - industry market research, reports, & statistics, IBISWorld Industry Reports. Available at: <https://www.ibisworld.com/> (Accessed: 10 November 2024).
- dcceew(2023)How you can reduce plastic waste.Available at:<https://www.dcceew.gov.au/environment/protection/waste/publications/how-you-can-reduce-plastic-waste-fs>(Accessed 9 Nov. 2024).
- (IBISWorld, 2024)
- (expertmarketresearch, 2024)
- Statista - Food and Drink Industry in Australia

