



An Effective Location Strategy and Design of Goods and Services Strategy to Improve  
Customer Satisfaction and Market Share for Dough Man Foods

Undergraduate Applied Project Report submitted to the Department of Business  
Administration, Ashesi University, in partial fulfilment of the requirement for the award  
of Bachelor of Science degree in Business Administration

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## DECLARATION

I hereby declare that this Applied Project, with the exception of the cited references and sources of data, is the result of my own original ethically cleared research and that no part of it has been presented for another degree in this University or elsewhere.

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'God is in the midst of her; she shall not be moved; God will help her when morning dawns.' Psalm 46:5 ESV

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### ABSTRACT

Dough Man Foods is a Ghanaian-owned food company that provides fresh, quality snacks. Established in 2016, Dough Man Foods is no longer a ‘start up’ and seeks to provide its customers with improved satisfaction. They also seek to increase their market share and be the market leaders in their industry. In this project, the researcher sought to find out how the company would be able to do this by adopting new operational strategies. Assessing the current state of the business was done through qualitative research by conducting semi-structured interviews with the Chief Executive Officer, Chief Operating Officer, surveys for customers and employees and online reviews. Through the research process, it was observed that the key areas of concern relate significantly to Dough Man Foods’ location and design of goods and services. Specifically, they were interested in siting a permanent production and sales location and modifying the design of their goods and services. The solution addresses the issues identified by proposing a partial operations management plan with the aim of improving customer satisfaction and increasing market share by focusing on location and product development.

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## CHAPTER ONE: INTRODUCTION

### 1.1. Company Profile

Dough Man Foods, founded in 2016, is a bakery based in Accra, Ghana, whose first product was inspired by Ghana's local breakfast doughnuts, known as 'puff loaf'. Dough Man Foods provides its customers with a twist to the puff loaves Ghanaians are used to by adding a variety of flavors to them. Currently, Dough Man Foods doughnuts are produced in a 'ghost kitchen' in East Legon. This is a structure created solely for the purpose of preparing food for it to be delivered (Hennessey, 2019). In addition, they have a retailer on the Ashesi University campus who supplies the Ashesi Community with their products once a week. Alternatively, customers can contact Dough Man Foods and have their goods delivered to them in Accra or Tema for a fee. According to Myjoyonline (2018), Peak Investment Capital (PIC) acquired a majority share of Dough Man Foods that year to enable Dough Man Foods to grow through the expertise that PIC has in building small businesses through financial and operational support ("Home | Peak Investment Capital (PIC)", 2019).

### 1.2. Rationale for Selection

This company was chosen because some operational issues, such as late and wrong deliveries, were identified while the researcher was retailing for Dough Man Foods on Ashesi campus. Additionally, it was selected in an effort to add value to a business that has been part of the researcher's personal and professional journey. Despite being in operation for almost four years and experiencing growth while creating a dedicated customer base, Dough Man Foods has even higher hopes and expectations



for the business. The management of Dough Man Foods sees it as the go-to place for all doughnut and snack needs around the country. To make this possible, they believe that there are areas of decision-making that need to be catered to. Their main concern now is the location of a potential flagship store as well as the introduction of new items to the menu. They believe that strategically placing a large store in a busy side of town will attract new customers and give Dough Man Foods a better name in the industry. Also, by expanding their menu, they hope to bring more customers on board and improve satisfaction for those who are already a part of their customer base. Product development is known to help companies grow as well as provide customers with what they are currently not getting from the company that would potentially be of benefit to them (Kotler & Armstrong, 2012).

When looking at operations management, a major long-term investment is the location strategy and it can affect as much as 50% of the costs incurred by a business and has an impact on customer satisfaction as well (Heizer, Render & Munson, 2017). Dough Man Foods wishes to expand and operate not only a ghost kitchen and a retailer at Ashesi University but a major flagship store as well. A flagship store can be defined as a company's most important branch which brings in the most customers due to its strategic location. It usually has the best layout of all their branches and is differentiated from the other branches (Farfan, 2019). The aim of this project is to analyze various locations and suggest the one that will help the business maximize their profit while satisfying and increasing their customer base. It will also provide ways of introducing new products that will have a high possibility of being patronized by

customers. All of these are in an attempt to help Dough Man Foods to achieve its goal of being the market leader.

### 1.3. PESTLE Analysis

Dough Man Foods is affected by the various macro and microeconomic factors that influence the Ghanaian food industry and the country at large. To analyze the macro environment in which Dough Man Foods functions, the PESTLE analysis was used. This is a framework that helps to examine a company's external environment in order to enable them to have a competitive advantage (Carruthers, 2009). A competitive advantage occurs as a result of an external change that a company can easily adapt to or their internal resources and capabilities that lead them to earn more profits than their competitors (Grant, 2016). The PESTLE framework looks at six different aspects of the macro environment as explained below.

#### *1.3.1. Political*

The political environment is based on the governmental policies and agencies of a country and looks at government approaches and influences that the political system has on the country ("PESTLE - Macro Environmental Analysis", 2019). Ghana gained its independence from British rule in 1957 and is currently functioning as a democracy. Democracies are less likely to experience revolts which gives them a higher chance of stability, making it easier to run businesses in such countries (Regoli, 2015). With smooth transfer of power over the past few decades and close to no political conflicts, Ghana can boast of being a peaceful country (Darko & Koranteng, 2012). This paves the way to prevent loss of productive time due to wars, strikes and the likes, creating a conducive

environment for Dough Man Foods to operate in. Ghana was ranked 7<sup>th</sup> on the Mo Ibrahim Index which is an annual report on the governance of African countries ("Doing Business in Ghana - Ghana Investment Promotion Centre (GIPC)", n.d.).

As a business, there are times when you may need to engage international suppliers or customers and due to the few trade restrictions in Ghana, especially amongst other countries of the Economic Community of West African States (ECOWAS), this is rarely an issue. SMEs (small and mid-sized enterprises), like Dough Man Foods, have contributed so much to the economic growth of Ghana that Mr. Ken Ofori-Atta, the Minister of Finance, referred to them as 'the backbone of the economy,' at the 2017 International SME Business Network breakfast meeting (Satsi & Djentuh, 2017). Due to this, the government has promised to support them through initiatives such as the National Entrepreneurship and Innovation Plan, the Industrial Development Fund and the Ghana Investment Promotion Centre which will aid in funding and creating an overall conducive environment for SMEs. Management of Dough Man Foods can take advantage of such policies to improve upon aspects of their operations.

### *1.3.2. Economic*

Ghana's economic environment is constantly attracting both local and foreign investors due to how it promotes growth and success. As such, it was ranked as the best West African country to do business in in 2017 and is currently ranked number 114 out of 190 economies on the 'Ease of Doing Business Ranking' ("Doing Business in Ghana - Ghana Investment Promotion Centre (GIPC)", n.d.). The country's GDP grew by 6.3%

from 2017 to 2018 and was expected to be 65.56 billion US dollars by the end of 2019 (Trading Economics, 2019). Ghana ended up recording a 2019 GDP of 66 billion US dollars, according to Trading Economics. In 2019, the Ghanaian economy had the fastest growing GDP, not only in Africa, but the world at large with a growth rate of 8.8% (IMF, 2019). This means that the country was producing at a faster rate than other countries and income levels were also rising. According to the Ghana Statistical Service (2019), the Ghanaian economy is broadly split into agriculture, industry and services. In Ghana in particular, the industry sector is an ever-growing sector that contributed 24.5% of the country's GDP in 2017 (Central Intelligence Agency, 2019). The industry sector is further divided into sections such as food and beverages, mining, et cetera. Dough Man Foods falls under the food and beverages industry. Considering these factors, there is much room for growth for companies like Dough Man Foods which form part of this sector.

Food inflation, which is the persistent rise in general prices of food, increased during the early months of 2019 ("Consumer Price Indices (CPI) of Ghana, April 2019 - Ghana Data Portal", 2019). This is highly significant to Dough Man Foods because it led to an increase in the cost of their supplies and hence an increase in their prices. As at August 2019, however, the annual inflation rate in the country had fallen to 7.8% due to lower food inflation and even lower inflation for non-food items (Trading Economics, 2019). Demand and supply, the invisible hands of economics, are directly and indirectly affected by prices respectively. Hence, the prices of goods with elastic demand, such as Dough Man Foods' products are greatly affected by their prices. Recessions, a period of economic decline spanning more than six months, cause business activities to slow down.

Fortunately for Dough Man Foods, Ghana has been close to a recession but has not encountered one since the company's inception (Adogla-Bessa, 2016).

Research conducted based on Alexander's (1952) argument on devaluation leading to increased investments, shows a positive link between currency depreciation and domestic investments in the short-run (Bahmani-Oskooee, & Hajilee, 2010).

Provided that the Ghanaian economy follows the 43 out of 50 countries examined in the study, the depreciation of the Ghana cedi, which would lead to a fall in wages, will subsequently lead to an increase in investments as resources would move from workers to the owners of capital, providing Dough Man with the capital needed to improve its operations. Taxes can also increase or reduce the amount of money that Dough Man Foods has available for their operations and Dough Man Foods can benefit from some incentives and exemptions given to young entrepreneurs (EY, 2018).

### *1.3.3. Socio-Cultural*

In 2018, Ghana recorded a population of 28.1 million with those under 25 years constituting 57% (Central Intelligence Agency, 2019). According to the Central Intelligence Agency (2019), Ghana's youthful population has an estimated growth rate of 2.16%, as well as a rising middle class. This provides an opportunity for the food sector to expand (Wesgro, 2015). Ghana's age structure shows that majority of those living in the country are quite young and are likely to opt for sugary foods as compared to ageing populations due to the fact that as we age, our taste buds stop renewing themselves and are more geared to other tastes (Park, 2014). Additionally, income levels, gender and social class also affect one's choice of food (Tomlinson, & Warde, 1993). The percentage

of males in Ghana in 2019 was 50.9% while females constituted 49.1% (“Ghana population (2019) live – Countrymeters,” 2019).

Due to the oil, sugar and other ingredients used in Dough Man Foods doughnuts, it is sometimes considered as unhealthy or ‘junk food’. Studies show that females are more conscious of what they consume and pay more attention to healthy eating than males (Westenhoefer, 2005). As a result, the population size being slightly skewed to the males can be of benefit to Dough Man Foods. Statistics, such as unemployment and illiteracy rates, aid businesses in determining what and how much to produce and how and where to market their products to reach their target market. It also serves as a means for businesses to know their potential employees and also how to reach them.

#### *1.3.4. Technological*

Over the past decades, the number of people using mobile phones in sub-Saharan Africa has dramatically increased, with over 60% having mobile phone coverage (Aker & Mbiti, 2010). Social media marketing has become a very successful trend that many companies have taken advantage of to promote themselves and increase brand awareness (Sajid, 2016). As a result, Dough Man Foods mainly uses social media channels such as Instagram and Twitter, to promote their products. Technology can also quicken the production process through innovations such as automation. Although capital intensive, people still opt for technology since it has been proven to increase productivity through systems like computer-integrated manufacturing, radio frequency identification, and automated guided vehicles among others (Heizer, Render & Munson, 2017).

Dough Man Foods has adopted some forms of technology in their production processes which help in reaching demand in a timely manner; however, it adds to their overall costs. Also, in a country that faces power cuts, relying on technology for production can be risky and most businesses must invest in generators to be prepared for such times. This also adds to operational costs. Additionally, Dough Man Foods also accepts electronic forms of payment such as mobile money. This allows for quick and reliable payments which is especially beneficial with the use of dispatch riders. The Chief Executive Officer (CEO) and Chief Operating Officer (COO) are also able to monitor what goes on at all times due to cameras that have been installed all over the facility.

#### *1.3.5. Legal*

The legal aspect is closely linked with the political aspect of this analysis and relates to laws governing the country (Cadle, Paul, & Turner, 2014). Businesses in Ghana must ensure that there is legal compliance with everything that concerns them as stipulated in the 1992 Constitution and any other legal enactment relevant to their operations. Being in the food industry, Dough Man Foods is regulated by the Food Safety Division of the Food and Drugs Authority (FDA) to enable consumers to act on their right to health and safety as laid out in the 1992 Constitution. Changes in laws and acts such as the 1962 Sale of Goods Act and the 1992 Food and Drugs Act will affect how Dough Man Foods runs their business.

The Lands Commission is another regulatory board of concern as it issues land certification and helps with the overall management of land in the country ("Lands

Commission", 2019). For Dough Man Foods to open a new location, they would have to abide by the policies of the commission. The Town and Country Planning Department under the Ministry of Environment, Science and Technology will also be consulted as they deal with the planning, management and growth of the towns in Ghana to ensure safety and orderliness ("Town and Country Planning Department, Ghana", n.d.). Finally, the National Labor Commission regulates the employment of the workers at Dough Man Foods based on the 2003 Labor Law. This includes factors such as health, safety, leave, remuneration and more.

Additionally, Dough Man Foods would need to get licences for the shop. This would require approval from the FDA, considering it is a food establishment. The Accra Metropolitan Assembly will also be involved, along with the Town and Country Planning and Lands Commission to ensure that everything concerning the building of the shop is legal by facilitating the granting of the building permit, surveying of the land and anything else required.

#### *1.3.6. Environmental*

Environmental factors are those which have to do with the natural world. Over the past century, the state of the environment has been depleting due to an increase in population and human activities that cause pollution, global warming and ozone layer depletion (Patterson, n.d.). Concern for the environment has affected where people choose to purchase their goods and what they decide to patronize. A major issue for businesses today is their packaging and how it affects the ecosystem. The resources currently being used for most packaging are running out and the packaging itself is



negatively impacting the environment (Pongrácz, 2007). Dough Man Foods' products are currently packaged with cardboard, and plastic which is not biodegradable and can affect how the business is patronized.

The purpose for the existence of the Environmental Protection Agency (EPA) in Ghana is to regulate laws concerning the environment and promote a healthy and environmentally sustainable community ("About us | Environmental Protection Agency, Ghana", n.d.). The food and drinks industry was found to contribute the most to negative ecological impact (between 20% and 50%) (European Commission Joint Research Centre, 2006). Some equipment and production techniques that Dough Man Foods uses can also have an adverse effect on the environment. For example, their use of generators and smoke from their kitchen contribute to the poor quality of air. Since Dough Man Foods deals with a lot of plastic, cardboard, and has left over food waste, disposal of these items is another environmental issue to consider as they do not want to increase their carbon footprint.

#### 1.4. Porter's Five Forces

Another framework that can be used in analyzing the external environment is Porter's Five Forces which assesses the competitiveness of an industry by looking at five different factors in the microenvironment that affect the intensity of the competition in that industry (Porter, 1980). In order to plan for a sustainable competitive advantage, it is crucial to identify these forces and how they influence business operations. Although people argue that this model is not so effective in leading a company into a strategically

advantageous position, it still provides relevant information which helps in understanding the industry better (MacIntosh & MacLean, 2015).

#### *1.4.1. Immediate Rivals*

The first force looks at the business's close competitors which are other businesses producing the same product or service. There are various businesses in Ghana that offer snacks, specifically doughnuts, to their customers; these include the ShopRite bakery, Oriental, DonutVille GH, Frema Kravings among others. Dough Man Foods has a share of the market size and differentiates itself with its packaging, logo and taste. Having a lot of competitive rivalry reduces one's market share. However, if quite a number of businesses are offering the same product, it gives the industry the power to contribute to economic growth, increase their output through research and development, bargain for lower prices from suppliers and benefit from economies of scale.

Some of the things these rivals are doing that are helping them include their walk-in shops and grocery store locations. Oriental and the bakery in Shoprite are both located in shopping malls. Because of this, they often get customers whose initial intention was not to buy from them. At Oriental, customers also have the chance to sit and enjoy their purchases in a café setting. In ShopRite, there is a large variety to choose from including cupcakes, bread, pies, and cinnamon rolls to name a few.

#### *1.4.2. Potential Entrants*

The Ghanaian food industry is relatively easy to enter as compared to industries that require large capital investments or a high level of skilled labor (Boakye-Yiadom, 2015). Businesses must go through a six-step process with the Registrar General's Department and the Ghana Revenue Authority (GRA) to acquire a certificate of registration which allows them to legally operate as a business. For businesses in the food industry, they must abide by the rules and regulations of the Food and Drugs Act and be approved by the FDA. This ensures that all food on the market is safe for consumption. This can be seen as a barrier to entry as inability to get approval from the FDA will not give a business the chance to legally sell their food on the market. The more businesses that join the market, the smaller market share Dough Man Foods would have.

In addition, loyalty plays a key role here. According to Shugan (2005), if consumers are loyal to a brand, they are unlikely to switch to new entrants on the market, making loyalty a potential barrier to entry. Dough Man Foods has some very loyal customers who have remained and continue to patronize their products, despite the 10% increase in prices over the past year. Other barriers to entry can be the inability to obtain the necessary capital required such as raw materials and equipment or not having adequate capacity to produce on a large enough scale to compete in the market.

#### *1.4.3. Bargaining Power of Buyers*

Customers sometimes have the power to influence prices and this is known as the 'bargaining power of buyers.' Dough Man Foods' customers consist mostly of young people, both males and females, who are considered middle class or higher as their

products can be classified as ‘luxury goods’ since they are not essential to life or one’s nutrition (Van der Veen, 2003). These buyers usually do not buy often or in bulk, causing them to not have much buying power. Buyers with the ability to force businesses to reduce prices or make changes to their products largely affect how a business operates because by not giving in to the pressure, they can lose a large portion of their customers. When customers, such as supermarkets, buy in bulk businesses usually fall prey to this force. This is not the case with Dough Man Foods.

#### *1.4.4. Bargaining Power of Suppliers*

Just as customers can potentially dictate prices, so can suppliers. The bargaining power of suppliers affects what a business will have to pay to acquire their supplies. For supplies that are not easily available or are only accessible with licenses, the suppliers have the upper hand in determining prices. Majority of the supplies that Dough Man Foods uses are readily available and they have a long list of suppliers to choose from. Their suppliers, except for those who provide ingredients that are rare in Ghana, such as blueberry flavoring, cannot heavily influence the prices that Dough Man Foods pays because Dough Man Foods can easily switch to another supplier. This is to Dough Man Foods’ advantage as they become the stronger force, gaining consumer power as discussed in the previous force.

#### *1.4.5. Substitute Products*

Substitutes are products which serve the same purpose as the product in question. Unlike the immediate rivals, they are not the exact same product but consumers will arrive at the same result from using them. Some substitutes for Dough Man Foods

doughnuts are the original, local puff loaves, bread, biscuits and pastries. These products have the potential to reduce Dough Man Foods' revenue since consumers may opt for them at the expense of Dough Man Foods. Reasons for this can be the price, availability or even quality. As a result, Dough Man Foods needs to ensure that they have a differentiating advantage over their substitutes, which could be in the case of price, distribution outlets, customer service, quality or other attributes. This would help keep customers coming back and choosing them in any buying situation.

### 1.5. SWOT Analysis

An analysis of the current state of the company can be conducted using the SWOT Analysis which is a framework detailing the internal strengths and weaknesses as well as the external opportunities and threats that affect a company (Kotler & Armstrong, 2012). After identifying these elements, Dough Man Foods will be able to know which aspects they should focus on in order to improve and achieve their goals.

#### *1.5.1. Strengths*

- There is a large variety of flavors (over twenty toppings and fillings) to select from. This ensures that no matter your doughnut preference, there is an option for you.
- There is affordable delivery service through motorbike riders. This comes as a result of the low fuel consumption and cheaper costs of maintenance as opposed to cars.

- There is effective customer service through social media which facilitates frequent and timely interactions with customers. This also enables issues to be sorted quickly as opposed to using only phone calls.
- There are frequent promotions and holiday packages. Dough Man Foods often provides discounts, free delivery and other benefits to its customers.

#### *1.5.2. Weaknesses*

- They are currently only available in the Greater Accra Region due to having only one kitchen, located in East Legon.
- Some product categories cannot be delivered to the outskirts of Accra as quality would drastically depreciate during the journey, if delivered using motorbikes.
- There has been a decline in employee satisfaction as a result of long hours of work which can affect quality of work and customer interactions.

#### *1.5.3. Opportunities*

- There is a demand for Dough Man Foods products outside of the Greater Accra Region which has been identified via social media posts.
- Famous international competitors have not franchised in Ghana which provides Dough Man Foods with the chance of pioneering similar strategies of these successful businesses in Ghana such as Dunkin' Donuts loyalty cards.
- Dough Man Foods can partner with other businesses and institutions to expand their market share and increase brand awareness.

- Engaging in corporate social responsibility will provide an avenue to give back to society and increase brand awareness.

#### *1.5.4. Threats*

- There is increasing immediate rivalry due to easy entry into the market from businesses such as DonutVille GH, Frema Doughnuts, Doughnuts Master, Oriental and Joy Deli & Desserts, et cetera.
- An increase in the number of substitutes has been observed from bread, biscuits, and pie companies among others.
- Dough Man Foods contributes to environmental harm through their packaging which may deter some individuals from patronizing Dough Man Foods.

## CHAPTER TWO: PROJECT NEEDS ANALYSIS

### 2.1.Chapter Overview

A needs assessment is the process of defining a problem, examining the current state and identifying the desired, future state of an organization or business process. It also includes determining the gap which is hindering the progression to the future state (Project Management Institute, 2017). This chapter explains the needs assessment conducted for Dough Man Foods to find ways of improving customer satisfaction and increasing market share. Customer satisfaction refers to the degree to which customers are happy with a product or how well the product was able to meet customers' expectations (Khan, Rizwan, Islam, Aabdeen, and Rehman, 2016). The Oxford Dictionary of Marketing (2011), defines market share as 'the metric of total sales of a product or service in a specified market expressed as a percentage of total sales by all entities offering a similar product or service.' This chapter includes findings from interviews with management and the retailer as well as surveys with individual customers and employees. Additionally, it presents data from relevant regulatory bodies. An analysis of all these data collected is also presented in this chapter.

The management of Dough Man Foods has expressed the desire to expand and improve customer satisfaction. In order to improve satisfaction for current customers and enlarge their customer base, they have proposed the opening of a flagship shop. In addition, they want to provide a menu consisting of new items since customers have made mention of their want for more products from the Dough Man Foods family. Management is also concerned with the reduction in orders over the past few months.



The Ashesi University retailer, for example, has noticed a 50% decrease in the quantity ordered between 2018 and 2019. This is partly due to the increase in prices but it is also because of the need for variety, as expressed by some customers.

Dough Man Foods currently operates from what is known as a ghost kitchen. Such restaurants or bakeries do not have a space for customers to have a seat and usually do not even have customers coming in to pick up their orders at all as they rely mostly or fully on delivery services (Crowe, 2019). Dough Man Foods' ghost kitchen is located at East Legon. It is not on a major road that one would randomly pass by and there are no signboards directing you there from the main roads. Without the aid of Google Maps or prior knowledge of the area, it is likely that one would not go there. This prevents random walk-ins and can hinder the growth of the customer base. Up until February 2020, Dough Man Foods also operated a retail shop at Achimota Mall. Currently, they only function from East Legon and their only retailer is on the Ashesi University campus.

## 2.2. Research Design

The plan for the needs assessment involved qualitative primary data collection as well as an evaluation of historical data such as organizational process assets (OPAs), internal and external enterprise environmental factors (EEFs), news articles and reviews. Various stakeholders were engaged in the research. To acquire a better insight into how management views the current standing of Dough Man Foods and understand, from their point of view, how they envision the future of the business, in-depth, semi-structured interviews were conducted with top management, specifically the CEO and COO. This form of data collection gives the interviewer the chance to prepare questions beforehand but still gives the subject the opportunity to fully express themselves (Keller & Conradin,

2019). The Ashesi University retailer was also asked a set of questions. Customers and potential customers were invited to fill in a questionnaire that addresses the current and future state of Dough Man Foods, particularly in relation to the goals as identified through the interviews with the CEO and COO. Finally, employees were also asked their sentiments concerning the issues identified by management.

### 2.3.Results and Analysis

After collecting the data, it was analyzed to help in recognizing potential locations for the flagship store, customer expectations with regard to the opening of such a store, and the possibility of developing new goods and services to include in Dough Man Foods' operations and menu. This analysis was done by categorizing the responses and identifying trends and relationships in the data. Following this, the data were summarized and linked to existing literature and other information gathered through the research process (Dudovskiy, 2019). Relevant external information was gathered from research done on product development and location strategy and government bodies such as the Ghana Statistical Service, Town and Country Planning, Food and Drugs Authority, and Ghana Standards Authority.

#### *2.3.1. Results from Top Management*

After top management was interviewed, a deeper understanding of their desire for the business was developed; they aim to increase their sales and visibility as well as interact more with customers in order to provide better services. Based on the interviews with the CEO and COO, customers' complaints about delivery are often related to wrong items being delivered and delays in the time of delivery. This is one of the reasons for

their want, or apparent need, for a flagship shop. With this establishment, customers can see what they want as at the time of purchase, reducing or eliminating incorrect items being sent to the customer. In the case of this issue still occurring, it would not be as costly to rectify the mistake. The CEO has organized training programs for staff every two weeks to improve on their customer service so they believe that this will no longer be an issue either way.

Another reason for the flagship store is that Dough Man Foods believes that they have reached a threshold when it comes to deliveries. At this point, they do not see how they can effectively and efficiently send out more deliveries per day. 'It is as if we have reached our capacity when it comes to delivery,' stated the CEO of Dough Man Foods. The CEO and COO also have the perception that some customers just do not want to pay a delivery fee.

The main aim of a business is to maximize profit by increasing revenue and reducing costs (Ross, Westerfield & Jordan, 2016) and Dough Man Foods is no different. To increase sales and revenue, Dough Man Foods believes that they need to find another way of getting their products to the market, as recounted by the CEO. This is why they want to open a flagship shop.

Dough Man Foods also wants to increase their visibility locally and expand internationally in the foreseeable future. The current location of their shop is not optimal and does not provide them with the visibility they desire. Part of Dough Man Foods' goals for the next few years includes opening branches not just around Ghana, but around Africa. In order for Dough Man Foods to successfully enter international markets, there must be mental availability. Mental availability, or brand salience, refers to one's ability

to bring to mind a particular brand when found in a buying situation (Sharp, 2012). This will ensure that when Dough Man Foods' products are physically available in these new markets, customers would opt for their products over other brands'.

The top management of Dough Man Foods was more concerned with the availability of space in areas close to where most of their orders come from. Off the top of his head, the CEO identified six towns in the Greater Accra region that make up most of their orders: Spintex, Cantonments, Achimota, Osu, Dzorwulu and 37. Most of Dough Man Foods' supplies are purchased in Accra Central with a few items from other regions or imported from foreign countries.

While interacting with management, other factors that they believe should be considered when choosing the location came up; these are cost of utilities and cost of land or rent. According to them, these two factors make up a large percentage of Dough Man Foods' expenses, thereby lowering their overall profit.

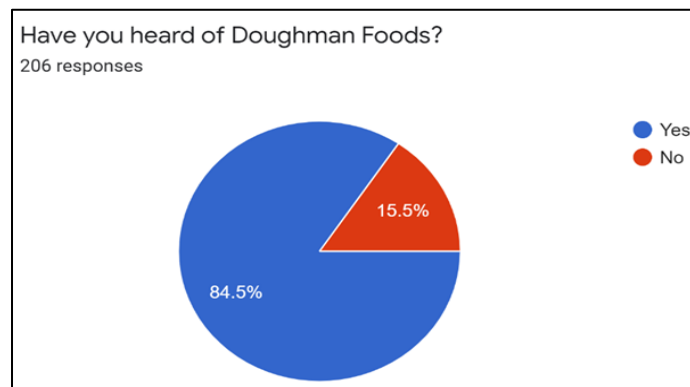
### *2.3.2. Results from Existing and Potential Customers*

The analysis of the data gathered from the surveys was to affirm the position of management or identify other means of improving market share and customer satisfaction. From the data, the questions that were to be answered were the following:

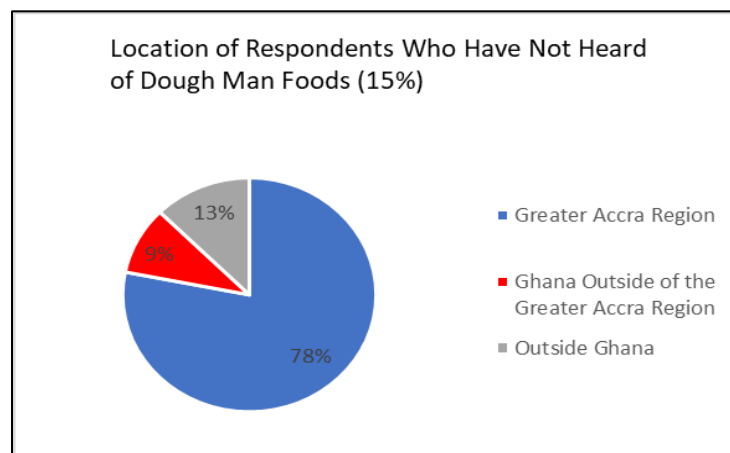
1. Would customers patronize a flagship shop?
2. Would customers patronize an extended menu?
3. If yes, what exactly would they want in this shop or on the menu?

Out of 206 people surveyed, 15.5% (32) have not heard of Dough Man Foods before (See *Figure 1*). Of this 15.5%, only four do not reside in Ghana. Three of the 32

respondents live in Ghana but outside of the Greater Accra Region while the remaining 25 reside in the same region in which Dough Man Foods operates (See *Figure 2*). Of the 84.5% who have heard of Dough Man Foods, four respondents are in neighboring African countries; namely Nigeria, Sierra Leone and Ivory Coast. There were also respondents from Sweden, the United States and Canada who have heard of Dough Man Foods before. This shows that there is some brand awareness outside of the domestic country, and even outside West Africa, which would be beneficial for the company's expansionary plans.



*Figure 1.* Percentage of respondents who have heard of Dough Man Foods



*Figure 2.* Location of respondents who have not heard of Dough Man Foods

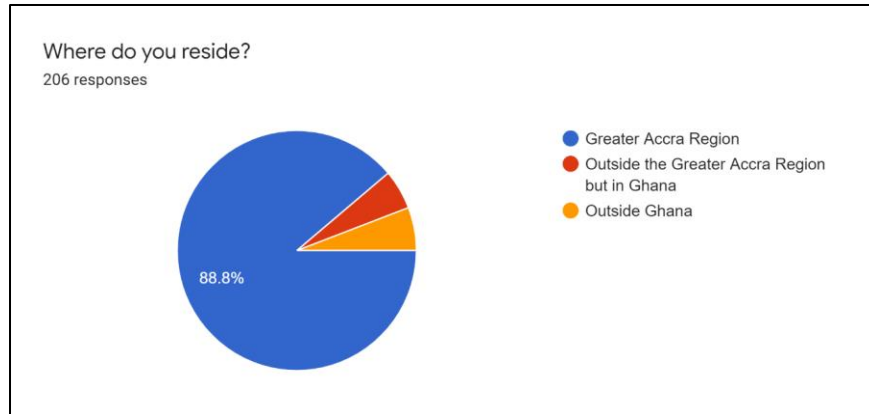


Figure 3. Location of all respondents

From the survey, it was found that of 93 respondents that answered the question about which option they would prefer for Dough Man Foods, 64.5% selected delivery while 35.5% would prefer a café (See *Figure 4*). These 93 respondents have all patronized Dough Man Foods before. It is important to note that the responses to this particular question include customers who have used their delivery service before (52.8%) and those who chose to pick up their orders themselves. This serves as an indication that many people still want the option of delivery (See *Figure 5*).

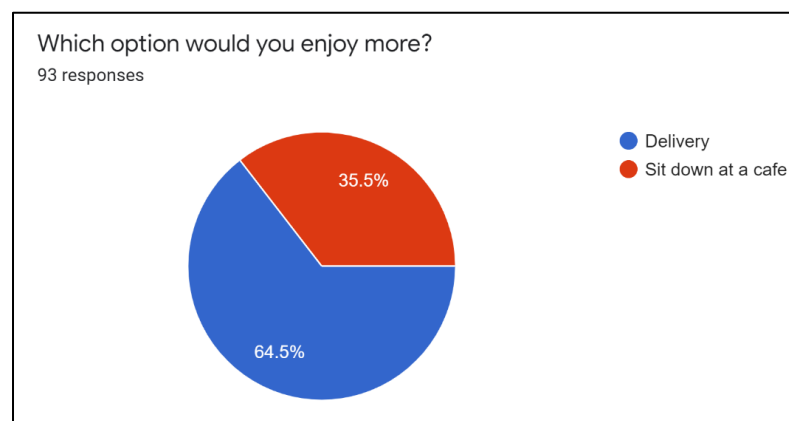


Figure 4. Customers' preferred option

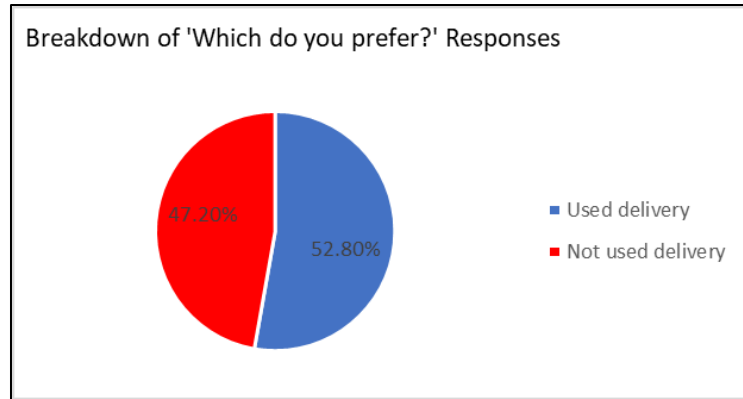


Figure 5. Delivery status breakdown for customers' option preferences

Customers who have used the delivery option were also asked to rate the quality and freshness of their orders upon arrival. At the various locations of delivery, customers gave similar responses (See *Figures 6 & 7*). This lets us know that Dough Man Foods' delivery service can cater for the different distances which their customers order from.

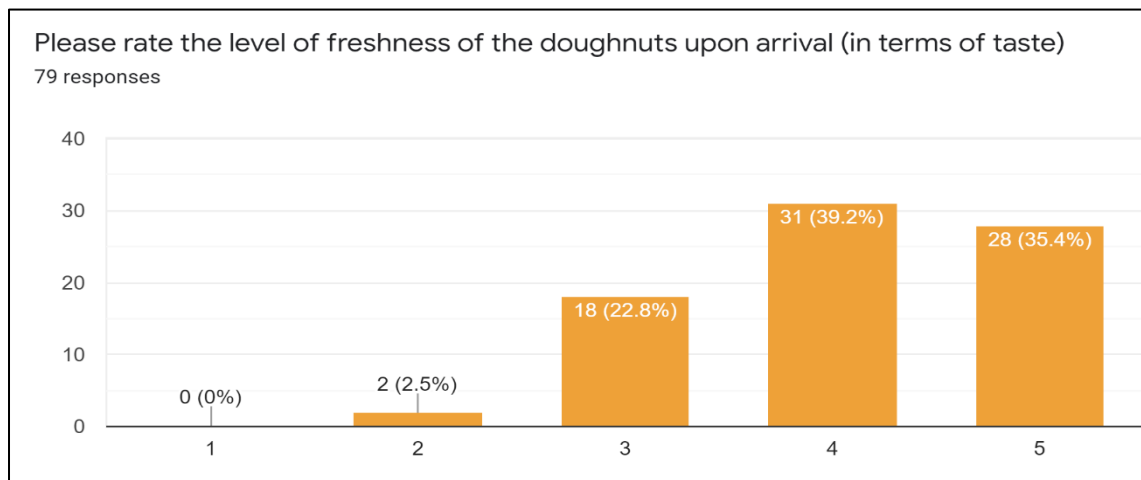


Figure 6. Freshness ratings

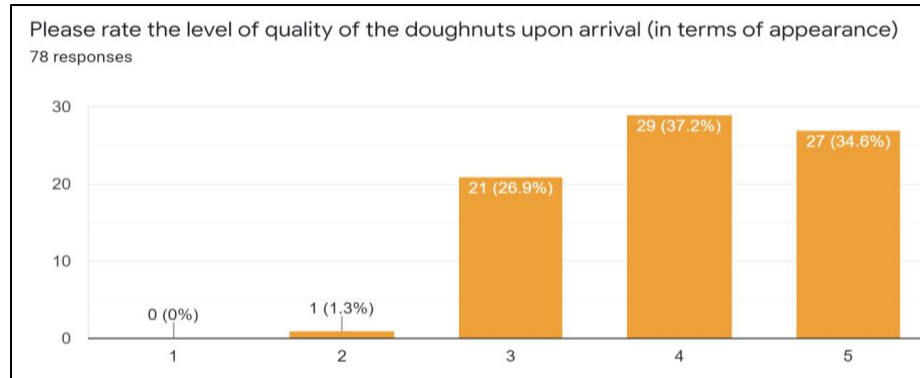


Figure 6. Quality and appearance ratings

The majority of customers indicated that their orders arrived on time. 32.4% stated that their orders delayed, which is something management has taken notice of and mentioned during the interview. Orders arrived, on average, between thirty minutes and an hour of order placement.

Since Dough Man Foods is looking at their location and the introduction of new menu items, the survey was crafted to address sentiments related to that. 43% of responses checked ‘distance’ as a reason that they would stop buying from Dough Man Foods and 26% marked ‘location’ as a reason that they do not patronize Dough Man Foods currently (See *Figures 8 & 9*).

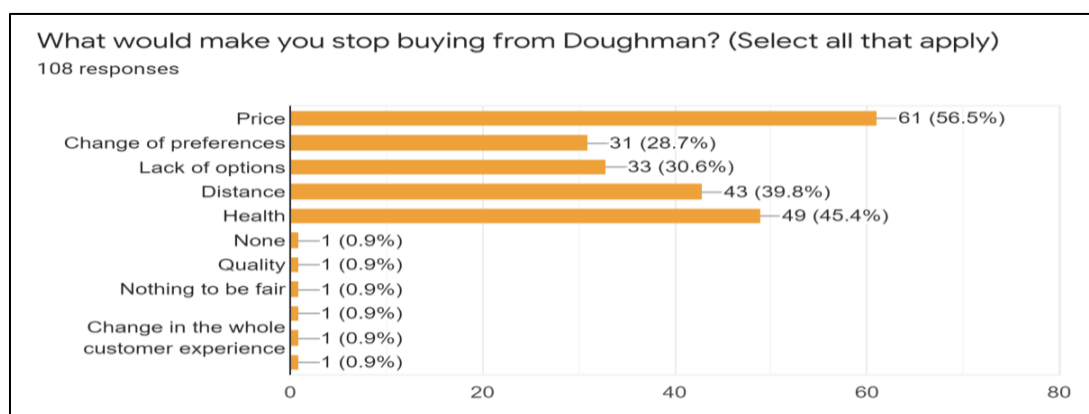


Figure 7. Customers' reasons to stop patronizing



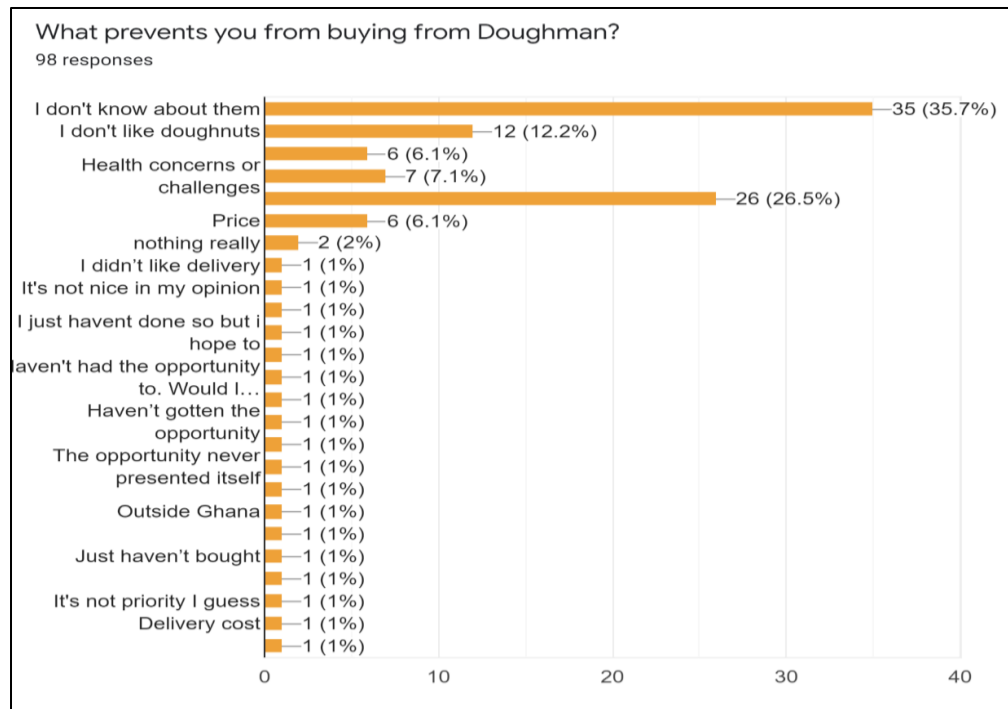


Figure 8. Non-customers' reasons for not patronizing

It was also noticed from the results of the survey sent out to customers that the introduction of a more diverse menu would be patronized. 88% of customers indicated that they would want new items in the menu (See *Figure 9*) while 28% and 30.8% indicated that they would stop patronizing Dough Man Foods due to a change in their preferences or a lack of options, respectively, as seen in *Figures 8 & 9* above. 93.5% of Dough Man Foods customers who were surveyed said that they would patronize a café-style branch. Although majority said they would prefer delivery, they also confirmed that the sit-down option would be enjoyed on some occasions. In the survey, customers were given some potential products to choose from and the chance to also suggest other foods. *Figure 10* is a chart with these responses and the number of customers who were interested in these being added to what Dough Man Foods provides.

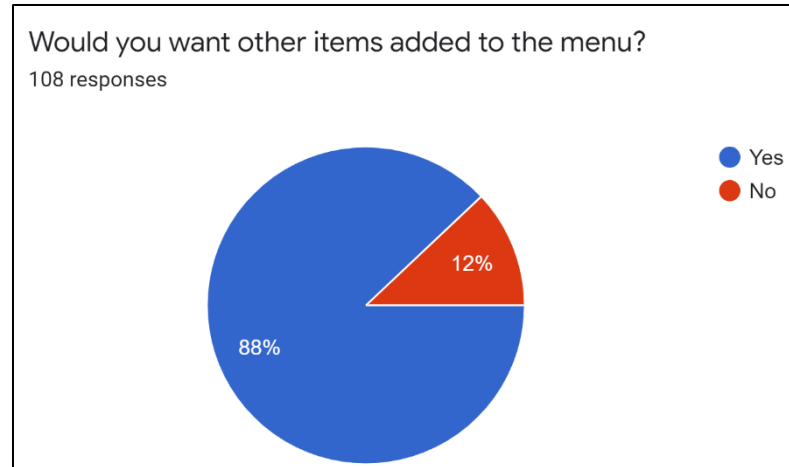


Figure 9. Percentage of customers who want more items

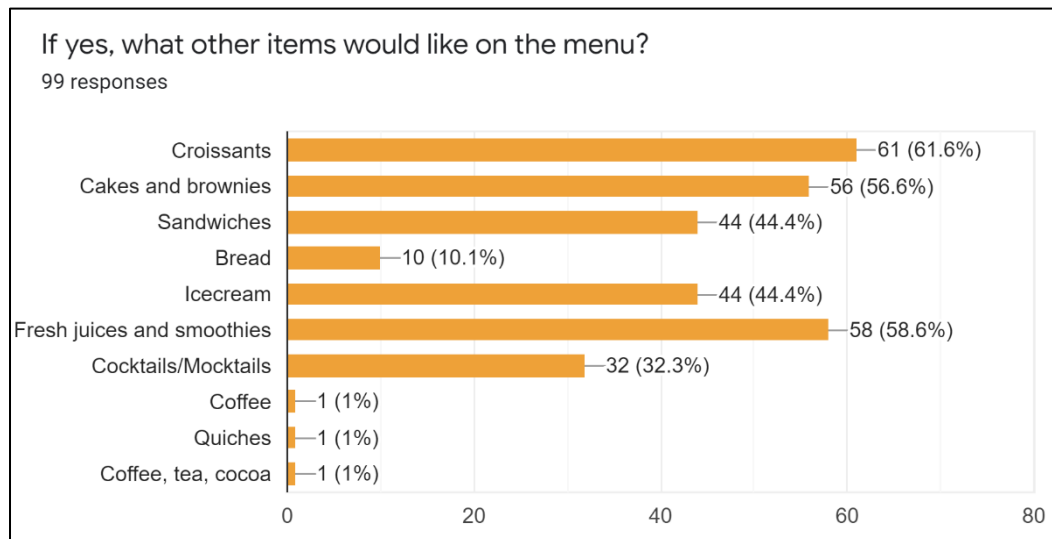


Figure 10. Possible items to include

Since customers are not always in their homes, to determine the proximity to customers, their places of work, school and recreation were also considered in the survey. From the 108 customers who filled out the survey, the majority live in Accra, with the Tema and Spintex environs making up a large percentage. The most popular cities for recreational purposes were Osu, East Legon and Labone while the most popular for work and school were Accra, Airport and East Legon.

The retailer on the Ashesi University campus also expressed similar feelings as did the individual customers. In terms of delivery and quality, she rated 4 for both. For the time of delivery, it is usually before the stated time. Delays have happened in the past but, overtime, Dough Man Foods has improved in this regard. There have been times when the items did not arrive in the most presentable manner but majority of the time, their appearance was just as expected. In terms of freshness in taste, the items always arrived fresh. Wrong orders have been delivered a few times but as with the time of delivery, Dough Man Foods took the feedback and has improved.

In order to get a sense of what customers would expect if Dough Man Foods were to run a flagship store with a café setting, respondents (customers and otherwise) of the customer survey were asked to explain what they liked and disliked from previous cafés that they had been to and what the ideal one would be like. Through an analysis of the data received, in relation to a flagship store, three main themes were identified: Food-related, Service-related and Environment-related factors.

- Food-Related Factors

There was a recurring response about food taking a long time to come and a limited menu contributing to negative experiences. Many respondents praised some of the places they had been to for the variety of options on their menus. Also, some of the respondents expressed that the price matched the quality and quantity of the food at some of these places, making them want to go back as it was worth their money.

- Service-Related Factors

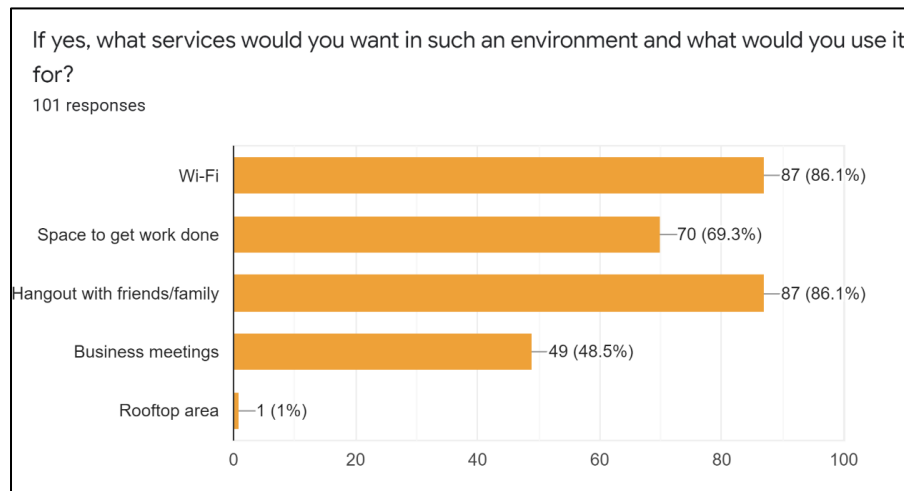
Poor customer service, ranging from unfriendly mannerisms to bringing the wrong order, was a common complaint among respondents. Many recounted positive service

encounters, where waiters and waitresses kept on checking in to see if they needed anything else and were genuinely friendly and welcoming. Wi-Fi seems to be something that cafés cannot do without in this day and age. When explaining previous experiences, many mentioned Wi-Fi as a contributory factor to their positive experience while the lack of it prevented them from going to those places again.

- Environment-Related Factors

Respondents seem to enjoy a ‘serene’ environment, with several of them mentioning this particular word when describing places they had enjoyed. There were also concerns about hygiene and insects. Additionally, those who mentioned music complained about the volume, stating that it was often too high.

Customers were also asked to select the services and features that they would like introduced in the flagship store. *Figure 11* shows their selections.



*Figure 11.* Customers’ expectations of the flagship store

### *2.3.3. Results from Employees*

The current employees were consulted to find out how they feel about the current location of Dough Man Foods. Out of the 10 employees who participated in the research, 9 indicated that the current location at East Legon is convenient for them. Only one employee said it was not convenient, reason being that it is far from where they live. Various reasons for the convenience were given such as nearness to their homes, and ease of getting transport.

### *2.3.4. Data from External Bodies*

Seeing how internet access is a major desire for individuals and groups who are likely to patronize this shop, network coverage and good internet connection are not to be left out of the key success factors. Currently, MTN (Scancom) has the largest market share for telecommunications companies in Ghana and this is not a surprise. MTN also won a bid with the National Communications Authority to buy their 4G license and provides fiber broadband internet connection (MTN IPO Prospectus, 2018). MTN is available all over Ghana and its fiber broadband is also available in many cities in and outside of Accra. Due to the high-speed internet MTN it provides, it is a good option for any work that customers may want to get done at a Dough Man Foods store. Another network that is also doing well in the 4G space is Busy and many businesses have taken advantage of their offers as well, even internet cafés. Busy also has coverage in major cities around Accra and Tema (Gracia, 2019).

For Dough Man Foods to open this flagship store and introduce new products, certain guidelines and standards must be adhered to. The government bodies in Ghana

which would need to be contacted to ensure legal compliance include the Food and Drugs Authority and the Ghana Standards Authority. These two bodies ensure the quality of the food being provided. Town and Country Planning and the Accra Metropolitan Assembly (AMA) also need to be involved for Dough Man Foods to be able to obtain a building permit. The exact steps that need to be taken are outlined in Chapter 4.

Dough Man Foods has been written about in different Ghanaian news articles and has some online reviews as well. These help Dough Man Foods to know which areas they are doing well in and where they need to make some improvements. Joy News and Pulse Ghana are among the news stations that have written about Dough Man Foods over the years. In their articles, they praised Dough Man Foods for their great taste and gave their readers a sense of what it is like to order from Dough Man Foods (Myjoyonline, 2016; Stacey, 2016). Google reviews currently has 41 reviews for the business, with only 4 below 3 stars and an overall rating of 4.3/5 stars. Negative comments were associated more with the service as compared to the food itself, however, a majority praised both.

#### *2.3.5. Analysis*

The results from the interview with the CEO and COO were analyzed alongside the customer survey and online reviews to arrive at the optimal operational plans in relation to location and design of goods and services strategies. The results obtained from customers and potential customers do in fact affirm the position of management for the establishment of a flagship store and a lengthier menu. It was observed that location does influence purchasing decisions so it is very important to make the right decision when deciding on a location.

Looking at all the responses from the interviews and surveys, the establishment of a flagship store is, in fact, beneficial for both their short- and long-term goals. The opening of this new branch, in addition to Dough Man Foods' current selling points would help to improve customer satisfaction by giving customers the chance to see what they are ordering and have face-to-face interactions with the business. This would enable Dough Man Foods to provide them with exactly what they want in a timely manner. In addition, strategically placing this branch would increase mental and physical availability of the brand, thereby leading to an increase in sales.

## CHAPTER THREE: MASTERY OF SUBJECT MATTER

### 3.1.Chapter Overview

Operations management is the wheel that keeps businesses running as it is concerned with planning, transformation of inputs into outputs and the matching of supply to demand (Ivanov, Tsipoulanidis, & Schönberger, 2017). It deals with ten different decision areas, namely Design of Goods and Services, Quality Management, Process and Capacity Design, Layout Strategy, Location Strategy, Human Resources and Job Design, Supply Chain Management, Inventory Management, Scheduling and Maintenance. Through the interactions with Dough Man Foods and its stakeholders, it was noticed that in order to achieve the goal of opening a profitable flagship store and maximizing customer satisfaction in product delivery, some of these decision areas need to be taken into consideration. The solution to be presented to the business entails a partial operations plan that focuses on the ‘location strategy’ and ‘design of goods and services’ decision areas. This chapter examines different frameworks and methodologies that have been developed over time to address issues of location selection and new product development that could help Dough Man Foods in their decision-making process.

### 3.2.Location Strategy

According to Heizer, Render & Munson (2017), the location of a business is important and if chosen well, can help cut down operating costs, improve overall customer satisfaction, increase revenue and change up to 50% of the business’ expenses. Since it is a factor that is fixed in the short run, firms need to ensure that they are positioning themselves in the right place and maximizing the benefits of the selected



location. Different methods have been developed to help companies determine the optimum location. Some of these are the Factor-Rating Method, Location Cost-Value Analysis, Center-of-Gravity Method and the Transportation Model. Depending on the needs of the organization, the most appropriate method is selected and used to narrow down the options of possible locations. The above techniques relate solely to businesses that produce goods. Services, however, have additional techniques for evaluating location alternatives such as Regression Models, Traffic Counts, Demographic Analysis of Drawing Area, Purchasing Power Analysis of Area and Geographic Information Systems (Heizer, Render & Munson, 2017).

### *3.2.1. The Factor-Rating Method*

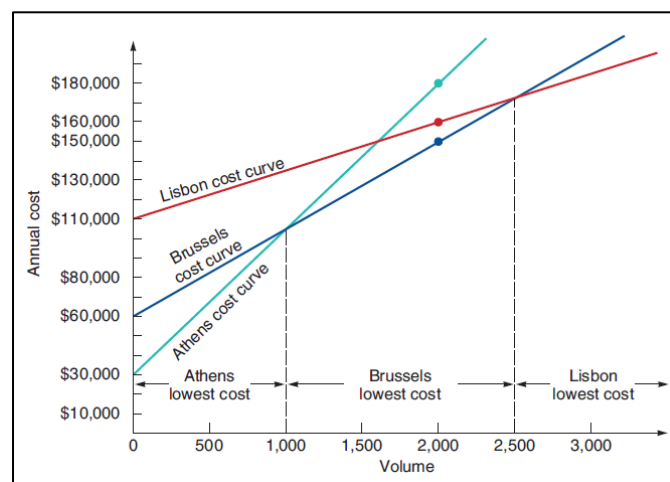
This is an objective method used in location selection that considers a number of factors that influence location decisions of a firm. The factors used are based on the observer's discretion and are known as the 'key success factors.' These factors can be derived from other location selection methods, such as traffic counts, and are factors which influence location selection. After these 'key success factors' are identified, each is given a weight based on its importance to the objectives of the location. The key success factors can be qualitative or quantitative. If a qualitative factor is chosen, a numerical figure would be attributed to it for the purpose of the analysis. A scale is developed for each factor and a score on the scale is attached to each factor for each location. The scores are then added up and the location with the highest score is selected as the optimum location.

### 3.2.2. Location Cost-Value Analysis

This method provides an economic evaluation of the locations under consideration. It identifies both variable and fixed costs and relates them to each of the location alternatives. The location with the most efficient cost is selected. This analysis can be done either mathematically or graphically. For the mathematical approach, the total cost at a specific volume of output is determined. With this approach, a specific volume of output is used in the analysis by plugging the needed figures into the formula:

$$\text{Total Cost} = \text{Fixed Cost} + (\text{Variable Cost} * \text{Volume of Output})$$

The graphical approach has the additional benefit of relating the total costs to various volumes of output. The graph provides the various total costs that would be incurred for different levels of output, using the same formula. This helps the company to make a better decision for their location, based on their expected volume of output. An example of the graphical approach to the Location Cost-Value Analysis is shown below in *Figure 12*.



*Figure 12.* Location Cost-Value Analysis example (adopted from Heizer, Render & Munson (2017))

In the graph, we observe that when producing up to 1,000 units, Athens has the lowest cost but as output increases, Brussels becomes cheaper up until 2,500 units. For an output of more than 2,500 units, it would be cheapest to produce in Lisbon. Such an analysis helps in determining where would be most cost-efficient to produce depending on the output the firm wants to supply at any given time.

### 3.2.3. Center-of-Gravity Method

When setting up distribution centers, this method is usually used. In an effort to find the location that would minimize a firm's distribution costs, this model considers the location of those forward in the value chain. This method takes into account the volumes of output involved since weight is likely to affect costs of transportation. The Center-of-Gravity Method is carried out by creating a coordinate system with the various locations of distribution, spaced out in a manner that represents their actual distances relative to each other.

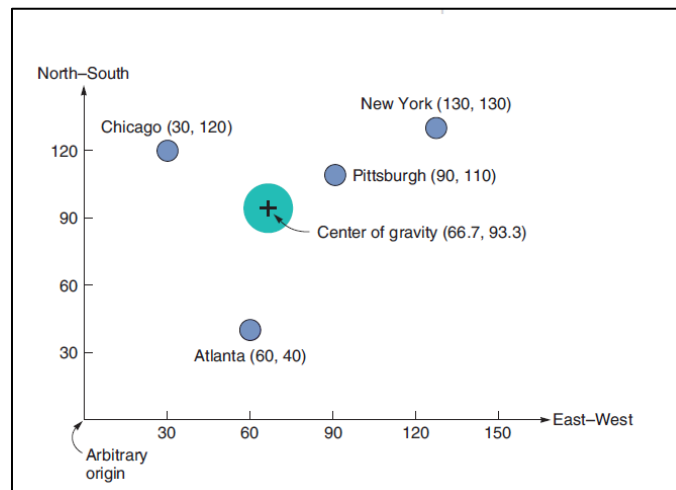


Figure 13. Center-of-Gravity Method example adopted from Heizer, Render & Munson (2017)

To arrive at the center-of-gravity, the x- and y- coordinates are obtained using the formula explained below.

$$\begin{aligned} \text{x-coordinate of the center of gravity} &= \frac{\sum_i x_i Q_i}{\sum_i Q_i} \\ \text{y-coordinate of the center of gravity} &= \frac{\sum_i y_i Q_i}{\sum_i Q_i} \end{aligned}$$

where  $x_i$  = x-coordinate of location  $i$   
 $y_i$  = y-coordinate of location  $i$   
 $Q_i$  = Quantity of goods moved to or from location  $i$

This formula gives the coordinates for the center-of-gravity which represents the location that provides the lowest distribution costs, taking into account the necessary factors: distance and volume.

#### 3.2.4. *Transportation Model*

This model is similar to the Center-of-Gravity model; however, unlike the Center-of-Gravity model, the transportation model looks at the distances from various starting points or sources to various destinations. With the previous model, the Center-of-Gravity Model, only the distances to the destinations were factored into the analysis. Using the Transportation Model, both sides of the value chain are taken into account as supply and demand are equally important when selecting a location using this model. The purpose of utilizing this model is to minimize the cost of not only transportation to the consumer, but also production costs, by minimizing the cost of acquiring supplies. It can be done using linear programming. Algorithms have also been developed to provide better solutions.

### 3.3.Design of Goods and Services/New Product Development Strategy

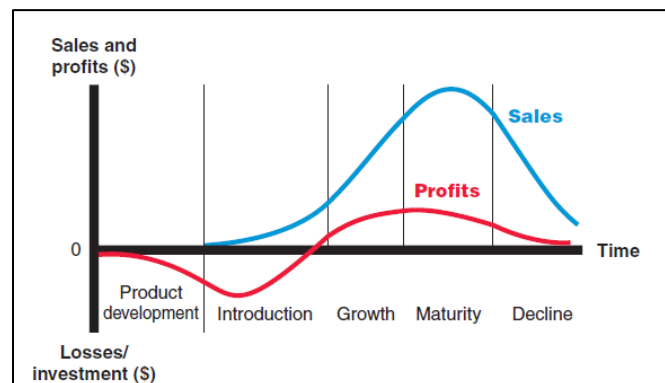
At the latter part of 2019, Dough Man Foods launched their second line of products: the DoughBurger. According to the CEO, this product emerged as a result of some brainstorming and testing. From sampling sessions with items such as pizza and sandwiches, the winner was the DoughBurger which is currently available with either a beef or a chicken patty, sandwiched between plain doughnuts. The feedback from this new product line was overwhelming and a bit unexpected, as recounted by management.

It has also been noted that sometimes, the customer is not right and may not even have a full idea of what exactly they want (Tšernov, n.d.). Based on the statistics which show that the majority of customers prefer the delivery option, one may say that it would be a bad idea to open a flagship store as most of the customers surveyed do not see this option as their preference. However, there are a number of things wrong with basing decisions solely on results from the survey. Firstly, the survey represents only a sample of the population, hence, the views expressed may not apply to all. At a Goldman Sachs conference, Tim Cook, CEO of Apple, mentioned that Apple makes products that people did not know they wanted and now cannot live without (Brownlee, 2013). Founders of Apple and Ford Automobiles have also commented on how customers would not have provided them with the idea of the iPad or car, respectively, if they had asked them what they wanted. Major innovations oftentimes only come about by not relying solely on what customers explicitly say that they want. Even the DoughBurger may not have been a suggestion if management had asked customers what they wanted.

On top of that, there are also the customers who do not voice their opinions as loud as those who do, the latter usually being in the minority (Tšernov, n.d.). In spite of

this view, customer involvement is still important in new product development as it can lead to gaining a competitive advantage and providing goods that customers would patronize (Hoyer *et. al*, 2010). By involving customers in some stages and leaving them out in others, firms experience the best of both worlds and can provide the products that customers need and want, whether or not the customers were even aware of the need or want.

All products have life cycles and this is shown in the *Figure 14* below. Due to this, it is important to introduce new products to the market as existing products begin to age. When products cross over from the maturity stage to the decline stage, as a result of the changes in consumer preferences and the increase in competition, sales and profits are likely to decline (Madhani, 2012). An introduction of new products will offset the drop in sales that would be experienced.



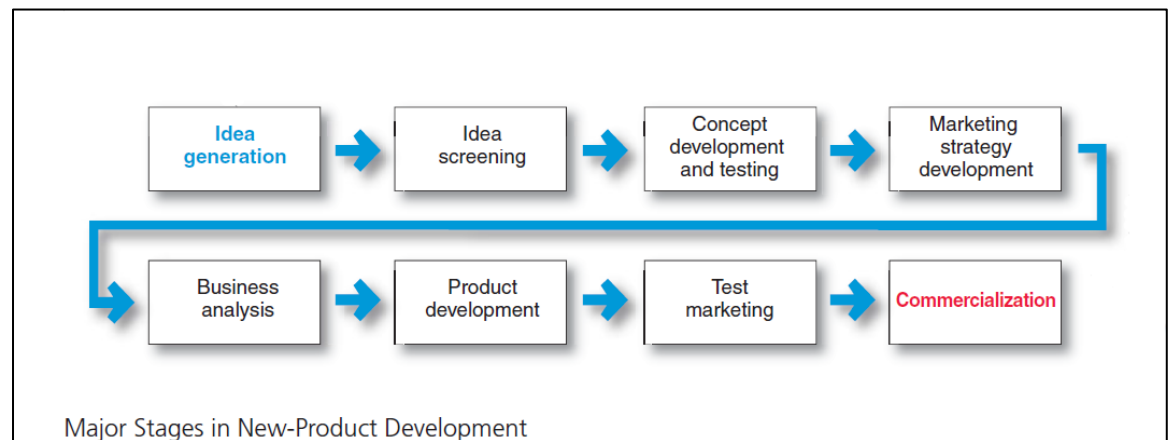
*Figure 14.* Product Life Cycle adopted from Kotler & Armstrong (2012)

In order to ensure that future launches do not depend on a stroke of luck as the DoughBurgers did, a well-thought-out product development plan should be adopted. This will ensure good reception by the market for any future products. It would also lead to cost optimization. Heizer, Render & Munson (2017) recount that the first issue in the

process of new product development (NPD) is getting an understanding of the customer. 'Lead users' are those who are steps ahead of the average customer and can really help companies to churn out products that are 'well ahead of market trends.' It is the job of the operations manager to find these people who will help to take the brand to the next level and engage them in the NPD process. In this section, three different approaches to the NPD process are examined.

### 3.3.1. The Major Stages in New Product Development

In product development, a company must go through some steps before launching new products to ensure that what is being launched actually has a market. Kotler and Armstrong (2012) identified eight stages in the NPD process which are shown in *Figure 15*.



*Figure 15.* Major Stages in New Product Development adopted from Kotler & Armstrong (2012)

Ideas are generated from various sources, both internal and external to the firm. These can range from in-house research and development teams to customers or even

suppliers. The pool of ideas is later screened to reduce the number of ideas by removing those that are not feasible, do not fit a certain criterion or do not align with the company's vision or goals. Selected ideas are converted into actual product concepts which provide more detailed descriptions of the idea that was generated. The product concepts are introduced to members of the target market for testing to determine which ones have strong customer appeal. Upon choosing a product concept that will potentially appeal to the market at large, a marketing strategy is developed. This includes a marketing strategy statement which gives a brief on who the target market is and what value they should expect to receive from the product.

By analyzing the business proposal, the company is able to determine how attractive or otherwise the concept is in terms of expected sales, costs and revenue. Once the product concept passes this stage, it can then be developed into an actual product and tested in a section of the market. This stage gives the firm the opportunity to not only test the actual product but to do so in a typical market setting, along with its proposed marketing strategy. When all of these are successful and the company is satisfied with the results, they can then move onto the commercialization stage where the new product is launched into the real market.

Customer involvement in new product development can happen at various stages of the process. This is essential to NPD as understanding the customer is the most important issue that firms must deal with when developing and introducing new products to the market (Heizer, Render & Munson, 2017). Since the stakeholder that Dough Man Foods places utmost priority on is their customers, it would be detrimental to their



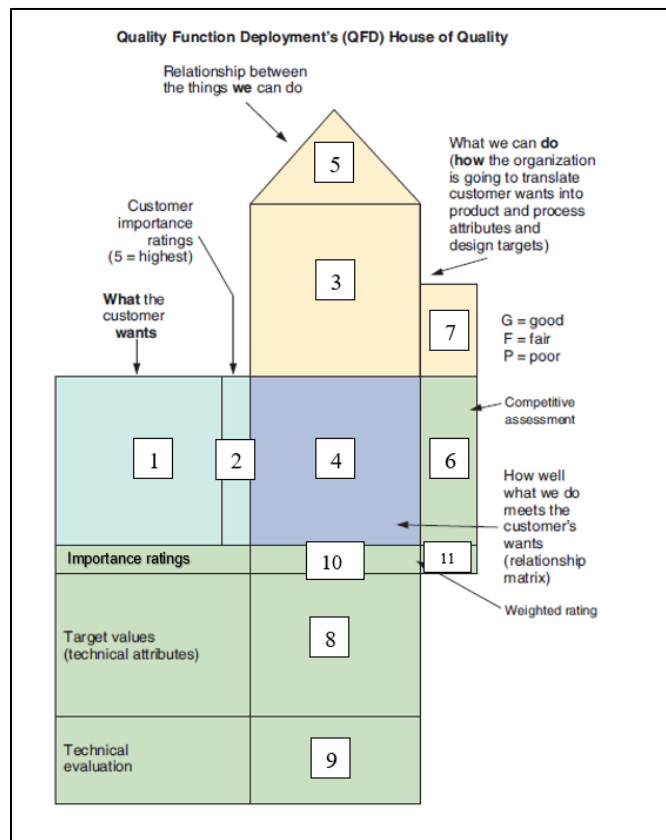
success to completely ignore the views of customers in their aim to develop new products.

### *3.3.2. Quality Function Deployment – the House of Quality*

Research has shown that about 50% of products in the food industry are removed from the market within about a year of commercialization (Wang, Hsiao & Sung, 2019). Therefore, it is important to ensure that new products satisfy customer requirements. Quality Function Deployment (QFD) refers to a process of understanding what customer requirements are and translating these requirements into design requirements in order to provide value. This method has been used for NPD as well as for improving upon existing products in various industries and is implemented using the House of Quality (HOQ) (Chen, Ko, & Tseng, 2012). The HOQ is a graphical representation, showing how the firm can effectively satisfy the wants of the customer with the firm's available resources and the required standards that should be maintained. An HOQ matrix shows the relationship between customer requirements and how the company can satisfy these requirements (their technical know-how and abilities). It also gives a visual representation of the interconnectedness or correlation between the company's different abilities (Heizer, Render & Munson, 2017).

HOQs also go outside of the firm by making comparisons with competitors and including the technical attributes that the product must have. The technical attributes are industry standards that should be observed. By adopting the HOQ model in NPD, the company can ensure that they are focusing on the important aspects of the product and eliminating unnecessary steps or features that do not align with customer requirements. Developing an HOQ will help in screening out ideas that would not yield returns. It also

helps in reducing the costs of design and the time used in designing new products by 60% and 40% respectively. Below, in *Figure 16*, is an HOQ and the steps to go through to create one. All of this takes place in the first stages of the product life cycle and helps a company to deliver what the customers truly desire in connection with their abilities and the current market situation.



*Figure 16.* Quality Function Deployment (House of Quality) adopted from Heizer, Render & Munson (2017)

Through market research, the customer's wants are identified. These are placed on the left side of the HOQ, in the box labeled 1. The importance of each of these wants are then listed beside each of the customer requirements in area 2. In section 3, the design requirements, 'how' the company will be able to satisfy the requirements in 1, are noted

down. The relationships between the factors in 1 and 3 are depicted in the 4<sup>th</sup> area while the correlation between the company's 'hows' (design requirements) are shown in area 5. HOQs include an assessment of competitors which is also derived from market research. The competitors assessment is shown at the right-hand side in area 6 and rated against the customer requirements in area 7. Technical attributes, written in box 8, are put against the company's and the competitors' performances; however, some HOQs leave this aspect out. Area 11 shows the company's importance ratings which refer to how important those factors in box 3 are to the success of the product.

### *3.3.3. The Kano Model*

Another model that can be used to help companies design products that provide high customer satisfaction is the Kano Model which defines quality in three different categories: basic, performance, and excitement. The basic qualities are those that are essential to the product and lead to dissatisfaction if they are not incorporated in the product. However, the presence of these qualities does not necessarily provide satisfaction. Performance qualities refer to qualities which can provide either satisfaction or dissatisfaction, depending on their functionality. Qualities which were unexpected by the customer but cause a 'wow factor' are known as the excitement qualities (Stevenson, 2012).

This model can be incorporated with other methodologies. Paraschivescu & Cotîrleţ (2012) present a QFD model in which the customer requirements are redefined using the Kano Model. By doing this, the company can better focus their efforts on truly satisfying customers' wants.

The Kano Model is represented by a matrix with level of satisfaction on the y-axis and degree of execution on the x-axis. The three different kinds of qualities can appear on any part of their respective curves on the matrix as shown in the graph below. Over time however, features can shift from one quadrant of the matrix to another. For example, what was once an exciting addition to a product, like cameras on cellphones, can become a must in future versions, moving from the excitement curve to the basic or performance curves. This framework helps in validating the features incorporated in the new product. By assigning each feature to a quality category, companies can then identify how best to include those features into the final product. Doing this will help the firm know how to invest or otherwise in each attribute in order to bring customers the utmost satisfaction.



*Figure 17.* The Kano Model adopted from Stevenson (2012)

These three models are being considered in Dough Man Foods' NPD process. Looking at the various features and benefits of each, while aligning them with Dough Man Foods' resources and capabilities, the one which would help them most, and which they have the ability to implement will be chosen and presented as part of their NPD strategy to introduce new goods and services.

## CHAPTER FOUR: SOLUTION AND IMPLEMENTATION PLAN

### 4.1.Chapter Overview

This chapter details the proposed solutions to Dough Man Foods' issues concerning location and the introduction of new products. Based on the frameworks and methodologies discussed in the previous chapter, the most appropriate ones, considering Dough Man Foods' business model and goals, were selected and an implementation plan to show how they can be adapted to Dough Man Foods' business environment is presented.

### 4.2.Solutions

#### *4.2.1. Solution – Location Strategy*

To identify the best location, one of the frameworks discussed in Chapter 3 needs to be adopted. The Location Cost-Value analysis looks only at costs, but Dough Man Foods believes that they must also factor in how the location fits in with customer wants and needs: hence, it will be an ineffective model to use. The Center-of-Gravity or Transportation models would be appropriate if the location was for a ghost kitchen as delivery of supplies and delivery to customers would be the main things to consider. Considering that this new location is for the establishment of a flagship store, these two methods are also not very suitable since they do not factor in all the necessary variables that need to be considered, based on the needs assessment. Due to the objectives of Dough Man Foods and what they hope to achieve with the new location, the Factor-Rating Method will be used to evaluate the different location options. This is because there are various key success factors that Dough Man Foods needs to strategically

evaluate to determine the best place to locate its flagship store. Following the needs assessment, the following key success factors were identified and will be used in the analysis to help determine where would be best to establish this store. These variables are proximity to customers, proximity to suppliers, cost of land, age, income levels, the traffic situation, and employees' preferred choice.

It is necessary to take these statistics into account when selecting a location since they affect costs, customer satisfaction, and availability of customers in one way or another. The proximity to customers affects the cost of transportation to the flagship store or to customers in the case of delivery (Heizer, Render & Munson, 2017). Nearness to suppliers affects the cost of transportation of supplies and equipment, thereby influencing overall input costs. Due to the nature of the branch being set up, traffic counts can also adversely affect the success of their operations as it has an impact on the length of commuting which can deter people from passing by.

Dough Man Foods does not just want to establish themselves in a place where their existing customers are. They also intend on attracting new customers. From the PESTLE analysis, certain demographics are more likely to purchase from Dough Man Foods so it would be beneficial to look for such locations to increase the chance of obtaining a larger customer base. Since Dough Man Foods is an existing company, it is important to also consider how the new location would affect the current employees. These factors were selected for the analysis due to the high level of responses that relate to them from the primary research or how much they affect operations, as identified from secondary data sources.

Some other factors, although important, were not chosen as key success factors. For example, the cost of utilities is very important when considering the overall costs that Dough Man Foods would incur. Connecting to the Electricity Company of Ghana (ECG) and Ghana Water Company, however, would not provide significant differences in the various locations so this factor was not used as a key success factor in the analysis. Network coverage in the area was based on the availability of Busy Wi-Fi and MTN Fiber in those areas. Since both are easily available in all of the different locations, there was also no difference with this factor. Due to this, including them in the model would not aid in decision making.

Using the Factor-Rating model for selecting a location, a scale was developed for each of the key success factors. The factors were evaluated on a scale of 1 to 5 with 5 being what is most beneficial to the business. The locations being considered are those which majority of customers chose and the places that Dough Man Foods gets most of their orders: Spintex, Osu, Labone, East Legon and Tema.

For the proximity to customers, the locations mentioned both in the survey conducted and from management as top locations were rated as 5. Locations that were mentioned only by management were rated as 4 and those mentioned only in the survey were rated 3. The reason for this was that even though all are near customers, it is more likely that the management has a better idea of where their customers are located than what was observed in the survey. Since the survey used a convenience sampling method, it does not provide a 100% representative sample of the population of Dough Man Foods' customers.

The proximity to suppliers was based on the town's distance from Accra Central using the scale in Table 1. Although Dough Man Foods purchases their supplies from several places, Accra is where the bulk is sourced from. This was the reason for using it as the basis for determining the proximity to suppliers. Table 2 provides details of the distances between the towns and Accra Central.

Table 1

*Legend for Distance Ratings*

<b>Distance (km)</b>	<b>Rating</b>
$x < 10$	5
$10.1 < x < 20$	4
$20.1 < x < 30$	3
$30.1 < x$	2

Table 2

*Distances between Selected Locations and Suppliers*

<b>Location</b>	<b>Distance to Accra Central (km)</b>
Spintex	13.3 – 13.6
Osu	4.9 – 5.3
Labone	7 – 9
East Legon	13.2 – 17.2
Tema	37

The cost of land, as valued by Ghana's Lands Commission, was rated with 5 being the cheapest and 1 being the most expensive, using the scale in Table 3. Whether Dough Man Foods decides to purchase their own land or open shop in an existing building, these figures give an estimate of how much it would cost them. Table 4 below shows the average cost of land in the various cities considered.

Table 3

*Legend for Cost Ratings*

<b>Cost</b>	<b>Rating</b>
$x < 1,000,000$	5
$1,000,000 < x < 2,000,000$	4
$2,000,000 < x < 3,000,000$	3
$3,000,000 < x < 4,000,000$	2
$4,000,000 < x$	1



Table 4  
*Costs for Selected Locations*

<b>Location</b>	<b>Average Cost of Land Per Plot (GHS)</b>
Spintex	325,000
Osu	1,200,000
Labone	1,360,000
East Legon	6,500,000
Tema	240,000

As seen from the needs assessment, both primary and secondary research have shown that young people are more likely to consume the kinds of food items that Dough Man Foods provides. Due to this, the age statistics of the districts within which the towns are situated were factored into the analysis. The districts where the highest percentage of people are between the ages of 10 and 30 were given an additional 1 point. This data was collected from the 2010 population census conducted by the Ghana Statistical Service.

In the preceding chapters, it was established that Dough Man Food provides ‘luxury’ goods. This means that one’s level of income affects their decision as to whether or not to patronize them. Different areas in Ghana have been labeled low-income, middle-income and high-income areas. High-income areas were given a rating of 5, middle-income areas were rated 3 and low-income areas were rated 1. This set of data is from the 2015 Ghana Poverty Mapping Report which details the various districts and their level of poverty. The towns within the districts with higher levels of poverty were given lower ratings and those within districts with lower levels of poverty were given higher ratings.

The figures for the traffic counts were based on research from the Association of Safe International Travel (ASIRT, 2014). The area with the most congested roads were rated 1 since traffic deters people from going to certain places due to the stress associated

with commuting. Areas with less congested, wider roads and generally less traffic were rated higher.

The employees were invited to fill a survey in which they selected the location which would be most convenient for them, out of the ones identified as possible locations for the flagship store. They provided reasons for their choices as well. The location that majority selected as their preferred place was given an additional point.

Each factor was given a weight based on its relative importance. The cost of land was given the highest weight (25%) since it is the most expensive cost that would be incurred. This partial operation plan has the main aim of improving customer satisfaction and due to this, the proximity to customers had the second highest weight (22%). The other factor which forms part of Dough Man Foods' costs is the proximity to suppliers, so it was given the next highest weight which is 20%. Traffic was given a weight of 10% because out of all of the factors aside proximity, it largely influences customer satisfaction. It is beneficial to be located close to your customers but their ability to afford your product also plays a role. Level of income was given a weight of 13% because although it is significant, it is relatively less significant than the previously mentioned factors because other income groups still patronize Dough Man Foods, just less frequently. Even though young people are more likely to purchase from Dough Man Foods based on both primary and secondary research, people of various age groups still patronize Dough Man Foods even though it is not as often. Due to this reason, age was given the lowest weighting which was 5%. The employees' preference was also given 5% because all, but one, of them find the current location convenient and the establishment of the new shop is in addition to where they work now. It is not a must that they would have

to change their place of work, therefore their preference does not have as big of an effect on the choice of location as the other factors.

Below are tables showing the different towns, their raw scores and weighted scores for each key success factor and their total ratings.

Table 5  
*Factor-Rating Method Analysis with Raw Scores*

		Key Success Factors (Raw Scores)							
		Proximity to Customers	Proximity to Suppliers	Cost of Land	Age	Level of Income	Traffic	Employee Preference	Total
Location	Spintex	5	4	5	0	5	1	0	20
	Osu	5	5	4	1	2	2	1	20
	Labone	5	5	4	0	5	3	0	22
	East Legon	4	4	1	1	5	4	0	19
	Tema	4	3	5	0	5	2	0	19

Table 6  
*Factor-Rating Method Analysis with Weighted Scores*

		Key Success Factors (Weighted Scores)							
		Proximity to Customers (22%)	Proximity to Suppliers (20%)	Cost of Land (25%)	Age (5%)	Level of Income (13%)	Traffic (10%)	Employee Preference (5%)	Total
Location	Spintex	1	0.6	1.25	0	0.65	0.15	0	3.65
	Osu	1	0.75	1	0.05	0.26	0.3	0.05	3.41
	Labone	1	0.75	1	0	0.65	0.45	0	3.85
	East Legon	0.8	0.6	0.25	0.05	0.65	0.6	0	2.95
	Tema	0.8	0.45	1.25	0	0.65	0.3	0	3.45

The most appropriate place to establish the flagship store would be in the town with the highest score. Using these key success factors, the optimum location is Labone. Not only is it relatively cost effective, it considers the commute of customers, their demographics, and their ability to pay.

#### 4.2.2. Solution – Design of Goods and Services

In order to ensure that in the process of introducing new products Dough Man Foods makes a good investment, following a defined process is essential. It is also

important to focus on the needs of the customer. Due to the complexity of the QFD HOQ model, it is unlikely that it can be implemented for every product that Dough Man Foods wants to put on the market. However, following Kotler and Armstrong's stages in new product development and utilizing the Kano Model can essentially help them to provide the right products for the customer, in the right manner. During the initial stages of the NPD process, management can take each feature of the proposed new item and place it on the Kano Model matrix to establish how it affects customer satisfaction and how much they must invest into it.

To make use of the Kano Model, Dough Man Foods needs to identify the category each feature in the proposed product falls in. For example, let us suppose Dough Man Foods was considering adding a new item to the menu that, when ordered, comes with a surprise drink in addition. Let us assume this is a croissant, which received the highest votes from customers in the survey (See *Figure 10*). Consider three features of the Dough Man Croissant order: the packaging, the size of the croissant and the drink. The packaging is basic; its presence does not make the customer happier. The customer expects the product to come packaged. However, the absence of the packaging would make the customer dissatisfied. Imagine the sentiments of a customer if a dispatch rider were to hand them the croissant with their bare hands. The drink is just a bonus, an excitement factor, that the customer was not even expecting when they placed the order, but it increased his or her satisfaction upon delivery. The size of the product is a performance feature so by increasing the size of the croissant, all other things being equal, a customer's satisfaction would also increase.

By knowing where each feature or quality falls, Dough Man Foods can improve customer satisfaction through the products they bring out. By investing more in the excitement and performance features, the more satisfied customers are likely to be. Not investing in the basic factors will lower customer satisfaction while overinvesting would not increase satisfaction but would increase costs unnecessarily. Therefore, more effort and funds should be put into the excitement and performance factors as compared to the basic factors.

Taking the above example, if Dough Man Foods were to put a lot of funding into packaging as compared to the croissant or the drink, their costs will increase in a way that would not reflect in revenue. With this, even though customers are happy, they are not as happy as they would have been had Dough Man Foods focused on providing more benefits to the product. The same money could have been put into making a larger croissant or enhancing the flavor and selling the croissant at the same price as opposed to placing it in an overly fancy box.

With reference to the customer survey, Dough Man Foods should launch products that do not have too much of an adverse effect on health as it is something that customers look out for (See *Figure 6* and *7*) and can limit the amount of times they patronize the business. The researcher suggests that Dough Man Foods looks into introducing croissants not only because of the customer survey but because of input costs. Since it requires many of the resources that they already have available, they will not need to look for new suppliers or equipment which will help them minimize costs. This will reflect in the price of the croissant, attracting even more customers to it since it would not have to be excessively expensive to cater for the input costs. Other highly anticipated products

are fresh juices and smoothies. Management however indicated that they do not have the needed resources to venture into making their own beverages just yet. To ensure that customers are still satisfied in this regard, Dough Man Foods can consider partnering with external parties to be able to provide these fresh drinks to customers.

#### 4.3.Implementation Plan

An idea of what customers want in a flagship store was established through the needs assessment. Aligning the capabilities and resources of the firm with what customers want, as discovered through the research process, will lead to an operation that will yield results both financially and in terms of customer satisfaction. It will also give Dough Man Foods a competitive advantage in the industry since the combination of their tangible and intangible assets would help lead them to persistently reap higher profits (Grant, 2016).

The partial operation plan presented in this project are tools which, if adopted, can help Dough Man Foods become one step closer to their goals. The implementation of these tools is mostly in the hands of the CEO and the COO. They are in charge of seeing to execution of these strategies. However, for the new product development, the chefs will also be largely involved. Location decisions do not happen often and are very costly. This is why the implementation of the opening of a new branch will only be done once in the foreseeable future. The NPD stages along with the Kano model will be used every time Dough Man Foods wants to introduce a new item to its menu or other services to its operations. As tastes and preferences change easily, Dough Man Foods should review

their menu every two years, based on their experience so far. They must also continue to pay particular attention to their competitors and potential entrants to the market.

To ensure that the establishment of the flagship store does not harm Dough Man Foods financially, additional streams of income can be developed prior to that opening. Seeing how they wish to introduce new products as well, doing so before tackling their major operational change could be beneficial.

In the process of introducing new products, Dough Man Foods would firstly need to engage some customers and other stakeholders in the idea generation process. From the survey, customers are interested in both food and drinks. They expressed interest in things such as pastries, sandwiches and cakes, and hot and cold beverages (See *Figure 10*). As they move through the NPD process developed by Kotler and Armstrong (2012), they can utilize the Kano Model during the concept development stage, after cutting down on the suggestions received in the survey and those which may be gotten from other sources. This will help them create clearer ideas of the potential products before testing them out with customers. Involving the customers in the different stages and making use of the frameworks will help in ensuring that the investment will yield positive results for their customers and for the company. Following these strategies, by the time Dough Man Foods arrives at the test marketing stage, they are confident in their new product and its ability to bring in new customers as well as provide a high level of satisfaction.

Before commercialization, the products must be approved by the Ghana Standards Authority (GSA) to confirm that they are safe for consumption. To do this, samples of the new products should be taken to GSA to undergo chemical and organoleptic analysis.

This is to ensure the quality of the product. After this, they can obtain a product license which serves as proof of the evaluation.

When this new product is commercialized, the chances of success are higher than they would have been, had Dough Man Foods gone through a haphazard process that did not include validating the product's features and considering customer expectations and feedback.

For the establishment of the shop, Dough Man Foods may decide to make use of an existing building or build their own facility. In the case of the latter, FDA, Town and Country Planning and Accra Metropolitan Assembly are to be involved. A building permit must be obtained and this is done by submitting an application to Town and Country Planning. Site inspection will take place by the AMA before their planning committee makes a final decision. After approval, one can be issued their building permit to begin the process. Hiring capable contractors, architects and engineers to oversee the building process is key to the success of the project. This stage also includes ECG and Ghana Water Company for electricity and water to be available in the shop. When the building is ready, Dough Man Foods would have to abide by the FDA requirements which include obtaining a license for a Food Service Establishment, Premises Location Form and a Hygiene Permit. In so doing, they must have conformed to the guidelines stipulated by the FDA during the building process. These guidelines relate to the following:

- Layout and fabrication
- Personnel hygiene and facilities
- Raw material acquisition, storage and control
- Cold storage facilitates
- Food process control
- Food transportation, display and service



- Equipment and utensils
- Water supply and storage
- Waste management
- Controlling pests

The steps involved in the implementation plan that was just explained are summarized below:

Location	
1. Select town/city	Select town based on analysis conducted in Chapter 4.
2. Build or buy	Make the decision to build a facility or buy/rent an existing one based on relevant information such as costs.
3. Steps to engage in for building	<ol style="list-style-type: none"> <li>1. Get building permit from Town and Country Planning (Site inspection will be conducted by AMA for approval of the permit).</li> <li>2. Build (Hiring of contractors, architects, engineers et cetera to facilitate the building process) while sticking in line with the FDA guidelines.</li> <li>3. Obtain a license for a Food Service Establishment, Premises Location Form and a Hygiene Permit from the FDA.</li> </ol>
NPD	
1. Generate ideas for new products	Engage with customers, suppliers, employees, and other sources that may be able to provide useful ideas.
2. Screen ideas	Based on feedback from previous products, available resources, goals and capabilities of the business, reduce the number of potential products.
3. Concept development and testing	Using the Kano model, develop product concepts for the ideas left over after the screening. Cut down number of products to the number that is to be launched.
4. Marketing strategy development, business analysis	Based on the concept development, create a marketing strategy that would attract the target market and analyze the business and financial elements of introducing those products.
5. Product development, test marketing	Team responsible (top management, chefs) fully develops samples of the product and

	invites members of the target market to test the product, see the marketing strategy and give feedback.
6. Approval of product by GSA	To get the product(s) to become legally available on the market, send samples for testing and approval by GSA.
7. Commercialization	After the product has been approved, market the product to the real world and begin making sales.

Opening this new shop at Labone, introducing croissants and partnering with fresh juice businesses are the ways in which the researcher believes that Dough Man Foods can solve its problems. These seek to improve customer satisfaction while also giving Dough Man Foods an opportunity to attract more customers and earn even more revenue.

#### 4.4.Evaluation Plan

Sometime after the establishment of the shop, Dough Man Foods should do a self-evaluation to ensure that their new operations are successful and yielding the desired results. For the new location, the following questions can be asked:

1. How often do we receive comments about wrong orders and service quality in our flagship store? Is this more or less than before the establishment of the store?
2. Have we increased quantity sold per day due to the new location? By how much?
3. Are customers giving positive comments on the new shop? Do they enjoy spending time there as opposed to delivery and take out?

When a new product is introduced, after a month or two, Dough Man Foods should ask themselves these questions:

1. How many were sold during the first month/week? Second month/week? What was the percentage increase or decrease?

2. Out of all the comments received about this new product via the various channels, are most positive or negative?
3. What can be improved?

Mirman (2019) identifies different key performance indicators (KPIs) that can be used by various industries to measure how successful the launch of their new products is. Dough Man Foods should also pay attention to some of these KPIs when evaluating whether or not they have been successful. These KPIs are categorized into Launch Campaign Metrics, Product Adoption Metrics, Market Impact Metrics and Qualitative Feedback.

1. The Launch Campaign Metrics will help the business know what it did wrong or right during the launch to guide them on how to go about subsequent launches. These KPIs look at the effectiveness of the launch itself.
  - Promotional channel metrics: measure email open rate and click through rates
  - Website traffic or page views: measure the amount of times people view content related to the new product online
  - News coverage: examine the quantity and quality of coverage of this new product on news outlets
2. The Product Adoption Metrics assess the extent to which the market need was served using the KPIs below.
  - Product trial requests: measure the number of trials wanted at shops or other locations (this helps evaluate the real interest in your product and can lead to long-term product adoption)

- Customer usage: measure the amount of times customers come back for your product over time
  - User retention: tracking whether customers remain customers for long periods of time
3. Market Impact Metrics measure the impact of the sales and how the product is competing in the market with 3 different KPIs.
- Revenue: measure the revenue generated from the new product (this can be proof of value delivery)
  - Market share: for competitive markets, this metric helps you compare your product to others in the market to see what percentage of the market you have been able to capture
  - Competitive win rate: this metric is a ratio of the number of successful sales opportunities to the number of total opportunities and measures the rate of overcoming competitors
4. Qualitative Feedback gives the non-numerical indicators of the success of the launch and the product.
- Internal: these can be from sales representatives, marketers, executives, product managers and can even be acquired before commercialization to plan a better launch
  - External: mostly from customers and can be gotten after the launch for continuous improvement of the product

## CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

### 5.1.Chapter Overview

As the final chapter of this project, a summary of the overall project is presented. The processes involved in undertaking this project are briefly explained, including limitations and challenges that were faced. An overview of further steps to be taken to ensure that Dough Man Foods achieves its goals of improving customer satisfaction and increasing market share through this partial operational plan are also examined.

### 5.2.Conclusions, Recommendations and Final Thoughts

#### *5.2.1. Key Insights*

While undertaking this project, it was discovered that Dough Man Foods' goals are not far-fetched and can be achieved through strong customer and market research as well as improving upon organizational strategies. Dough Man Foods wants to set up a flagship store which will enable them to serve their customers in a different way and to increase their satisfaction as well as bring more customers on board. Dough Man Foods also wants to include new items in their menu. The implementation of this plan is the first step and can catapult them ahead of their competitors, thereby increasing market share. All of this is in an attempt to make them a brand known all over Africa and possibly the world at large.

By establishing their new location in Labone, they will be able to take advantage of the youthful population and the reduced costs. The nature of the location will also set the stage for more personal relationships with customers which can lead to improvements

in service rendering. The inclusion of new products will help tackle the issue of customers wanting a wider variety of options to choose from. From all the analysis done, by introducing a Dough Man Croissant to the market, there will be a boost in sales and it will also help attract new customers who may not be fans of doughnuts.

Some other recommendations to Dough Man Foods that arose during interactions with customers are the following:

- Increase in the size of the DoughBurgers
- Contacting customers as soon as they encounter issues with an order, keeping them updated on the progress of the order
- Increase in the filling of the infused doughnuts

#### *5.2.2. Organizational Changes*

The work environment at Dough Man Foods is not bureaucratic and employees often share their views. This is beneficial and should be continued in order to ensure that through the implementation of the plan, everyone is involved and to maximize the impact of it for all stakeholders. Despite this, there are some things that if changed, could help Dough Man Foods deliver more value to all its stakeholders. They should put more effort into obtaining customer feedback so that any new ideas they come up with will sit well with customers. Also, they must consider hiring new employees and improving working conditions to enable them to work in a more satisfactory environment and have more job satisfaction. The existing employees often complain of working hours and would like to have additional benefits and/or less hours. By adding more members to the staff, they would be able to take shifts so that job satisfaction could increase while maintaining

Dough Man Foods' operating hours. Although Dough Man Foods' primary goal is to open a flagship store, implementing the new product development plan prior to opening a new branch will increase revenue and provide more funds for the location strategy which is very capital intensive.

#### *5.2.3. Pitfalls to Look Out For*

Dough Man Foods must continue to monitor social media to quickly pick up on any customer dissatisfaction that has not been explicitly presented to them. They must also check on sales figures on a regular basis. Even though it seems as if Dough Man Foods is the market leader, this should not make them complacent and they should continuously work on innovating and providing greater service. Self-improvement will be more beneficial to them than just focusing on being better than their competitors.

#### *5.2.4. Limitations of the Tool*

Location is only fixed in the short and middle run and many companies decide to relocate after some years. This can be due to changes in demographics of their current location, input costs, outgrowing capacity and more (Heizer, Render & Munson, 2017). Since some factors, such as these, are subject to change, the analysis which was conducted is only valid for as long as the statistics remain the same. A social or economic shift may put the business in a position where they would need to assess their location again. As stated in Chapter 3, Dough Man Foods needs to optimize the advantages of their location. If what was once an advantage is no more, they have entered the long run and location is now a variable cost that needs to be catered to. Because of this, Dough Man Foods must continue doing market research and other analysis to make sure they are

making the best of the location they are situated in. In terms of new product development, management may not see the need of really analyzing their decisions with the suggested models as it may seem to be time-consuming or not needed, especially if they are not able to accurately implement them on their own. In spite of this, using it as a guide, even if not fully utilized, will still prove to be helpful.

#### *5.2.5. Future Steps to Take*

Dough Man Foods should always stay on top of the market and one step ahead of both their customers and their competitors. This can be done through market research and providing optimal services by always taking customer and employee feedback to better their services and their products. Dough Man Foods can also introduce measures to motivate employees as this reflects in how customers are treated. Initiatives such as Employee of the Month, staff discounts and other incentives would boost their morale and make them more passionate about their work.

#### *5.2.6. Challenges Faced*

During this project, various stakeholders were contacted. Receiving responses for the survey sent out proved to be a challenge. Although quite a number of responses were received, the representativeness may not be as it should have been due to the media used. Additionally, acquiring information from government institutions proved to be the most challenging. There is lack of data available online and the processes and various individuals that need to be contacted to get information in Ghana makes gathering data difficult.



*5.2.7. Lessons Learned*

Merging class content with what goes on in the real world proved to be quite interesting and made me appreciate the various courses taken during my time at Ashesi University. I learned how to use primary and secondary research to tackle existing issues while relying on lecture content and personal studies. Engaging different types of people of different backgrounds, ages and positions also helped me be more mindful of how to structure conversations, depending on the subject, to arrive at the optimum results and feedback. Overall, it was a great project that stretched me academically and socially, proving to be the real icing on the cake to this degree.

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## Appendix

## Interview questions for CEO and COO

1. What inspired Doughman?
2. What is the form of business? What is the executive structure like?
3. Where do you see Doughman in the next five to ten years? What are some of your short-term/long-term targets?
4. How do you intend to arrive here?
5. What are some of the challenges you have encountered in achieving your targets?
6. How important do you believe operations (10 decision areas) is/are to arriving here?
7. What is your intended market customer base?
8. Do you purchase all your ingredients and equipment in Ghana? Why or why not?
9. Do you have a list of suppliers that you work with and can easily choose from if you need to change?
10. How do you manage your two branches and other retailers?
11. How competitive is the market from your standpoint and how do you deal with competition? Do you know your market share?
12. How have your previous and current locations been beneficial or detrimental to your success?
13. What are some of the things your customers have complained about?
14. Why do you feel the need to open a flagship stop and what are your expectations for it?
15. What are some possible locations that you have already identified?
16. Do you keep record of your customer's locations? If yes, where are they mostly situated? If not, do you intend on doing such, why or why not?
17. How do you plan for delivery on a day by day, week by week basis?
18. What is delivery to Achimota Mall like? Once a day? Fixed order?
19. Describe is a typical day, week, month at Doughman.
20. On average, how many orders do you get per month? (to help me know how many responses to get)
21. What are your top costs?
22. How has technology helped in your operations (production, recruiting, deliveries, payment options, etc.)
23. How do you keep customers coming back?
24. Please tell me a bit about your energy consumption.
25. What are some of the products you want to introduce and how do you plan on preparing for these launches and ensuring that it was what the customers want?
26. How many customers do you have?

## Questions for customers and potential customers

## For All Respondents

1. Have you heard of Doughman Foods?
2. Have you purchased from Doughman before (for yourself or someone else)?
3. Where do you reside?
4. Please specify the town or city in which you reside

5. Where do you work or attend school?
6. Please specify the town or city in which you work or attend school
7. Which towns or cities do you usually hang around (for recreational or other purposes)? Kindly list at most 3 places, with your favorite first.
8. Briefly explain your experience, if any, at a cafe. What did you like or dislike about the environment, services and goods available?
9. Gender
10. Age

Only for Existing Customers

1. On what occasions do you purchase from Doughman?
2. Have you used their delivery service?
3. Please rate the level of freshness of the doughnuts upon arrival (in terms of taste)
4. Please rate the level of quality of the doughnuts upon arrival (in terms of appearance)
5. How long did it take for your order to arrive?
6. Did the order arrive at the time you expected it?
7. Which option would you enjoy more (Sit-down at a café or delivery)?
8. What would make you stop buying from Doughman? (Select all that apply)
9. On average, how many doughnuts do you buy when you order?
10. Would you want other items added to the menu?
11. If yes, what other items would like on the menu?
12. Would you patronize a cafe-like environment?
13. If yes, what services would you want in such an environment and what would you use it for?
14. If no, why would you not want such an environment?

For Respondents Who Are Not Customers

1. What prevents you from buying from Doughman?

Questions for Employees

1. Is the current location of Dough Man Foods convenient for you? Why or why not?
2. Out of these locations (Spintex, Osu, Labone, East Legon and Tema), which would you prefer to go to work to, based on your situation? Why did you choose this location?