

**COMPETITIVE STRATEGY MAKING THE RIGHT CHOICE:  
THE CASE OF BIG FOOD COMPANY IN CHINA**

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**by**

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**ABSTRACT**

The study determined the competitive environment of Big Food Corporation and developed a competitive strategy that best fit the corporation. It described the corporation in terms of size, nature of business, organizational structure, objectives and strategic direction; food market structure, competition, market outlook and environment, market threats; strategic business model; and SWOT analysis of the corporation. This study also identified the problems encountered by the corporation in terms of new entrants, buyer, substitute, supplier, industry competitor. The current strategy in relation to the business model was analyzed and a competitive strategy fitted for the corporation was developed.

The findings of the study indicate that there should be a suitable development strategy for in Big Food Corporation. The potential bargaining power of instant noodles enterprise is limited. It is difficult for potential entrants to participate in the instant noodles market. The existing instant dumplings, ravioli, rice, noodles, rice noodles etc. instant foods are not yet very mature; their substitution effect are not obvious. Master Kang's market share is the most direct threat to Big Food Corporation. Among the

strengths of the corporation is that it is one of the leading enterprises in instant noodles industry. It owns a good public image and brand effect; set clear strategic planning, development direction and clear thought; strong direct and indirect financing capability. It has one of the world's most advanced production line and the largest instant noodles production base; perfect storage, transportation facilities; high loyalty of senior and medium management. The current business model being adopted by the corporation could not fully meet the demands of the corporation. Among its weaknesses are: Fund pressure is greater than that of rivals; lack of complete functional and professional logistics company; lack of professional and technical personnel; reserve cadres training have not been paid enough attention; high turnover of grassroots marketing personnel; dreadful execution of human resource assessment system; and management system does not conform to the requirements of the modern enterprise system. Subordinate enterprises are not empowered very much; the Group's information processing system lags behind. The corporation has a lot of opportunities including: government policies point the direction to development of the company; brand promotes enterprise value; enterprises have strong development strength; scale production and supporting enterprises reduce the cost; overall consumption is growing in global industry. There are however threats to contend with, namely: Diversified development of company is a double edged sword; market share of A's medium and high-end noodles is not high; intensified circulation channel competition risking; cost pressures; bank interests influence on the enterprise; and the current business model could not fully meet the demand of the corporation.