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BAYDONER: THE RISE OF A FAST CASUAL DINING EXPERIENCE

CASE SYNOPSIS

Baydoner is a pioneer of fast casual dining in Turkey and has grown quickly to become the market leader of a branded restaurant chain specializing in Iskender Doner, with 80+ retail outlets across 40 cities as of December 2014. Iskender Doner is a dish of specially grilled and thinly sliced spiced meat, served with garlicky tomato sauce over a bed of soft pita bread. The lamb and beef combination used in this traditional Turkish fine dining favorite is extremely time consuming to prepare and typically made according to a secret recipe designed uniquely by every restaurant's own chef. Founded by Levent Yilmaz and Feridun Tuncer in 2007, Baydoner's mission is to offer customers high-quality Iskender Doner at affordable prices in a casual dining atmosphere to make this delicious traditional dish more readily available to a wider audience. For less than US\$10 per person, customers can count on being served tasty Iskender Doner, along with other fixed menu items including several soup, salad, beverage and dessert options, by attentive waiters in a family friendly restaurant setting. Levent and Feridun are debating Baydoner's ongoing growth strategy on several fronts.

As a fully owned and profitable retail chain, compelling requests for regional master franchising rights in parts of Turkey, the Middle East and Europe have them wondering if they can scale even faster if they leverage external capital from franchisors, venture capitalists or other credit lines. On the other hand, Levent and Feridun are debating whether to add additional fixed menu selections to their current Iskender Doner speciality to appeal to an even wider potential customer base or to launch an entirely new fast casual dining concept to leverage their experience and core capabilities.

This case highlights the considerations involved in defining growth strategies. It delves into the timing and challenges of defining product lines, exploring geographic expansion and evaluating financing alternatives. The main teaching objectives of this case are focused on business models, product strategies and core competencies. After discussing the case, students should be able to:

1. Reflect on market segmentation and related value propositions
2. Describe the AS-IS and TO-BE business models of alternative growth scenarios
3. Debate the pros and cons of franchising versus retail chain growth strategies
4. Identify a company's core competencies and competitive advantages or weaknesses
5. Define a set of critical success factors for exploring/pursuing international expansion

This case is suitable for undergraduate and graduate students from all disciplines, as well as, executives and managers as a way to explore business modelling frameworks and the dynamics of pivoting a business model in general. Discussions can delve deeper into operations management, product strategy, brand building, international business expansion and finance.



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