Customer satisfaction in mcdonalds

With over 30, 000 McDonalds restaurants in more than 100 countries serving an average of 50 million people daily, McDonald's Corporation is the world's largest quick service restaurant chain. McDonald's started out in 1955 in the first franchise restaurant in Des Plaines, Illinois. With hard work and positive work ethics, McDonald's profits have been rising on a yearly basis.

In 1979, McDonald's opened its first restaurant in Singapore. Today, there are at least 110 outlets across the island serving about 1. 2 million customers every week with the help of 7, 000 employees. (McDonald's Corporate Profile)

Apart from McDonald's, McDonald's also faces strong competition from competitors like Burger King, Kentucky Fried Chicken (KFC), Wendy's, Carl's Junior, Subway, etc that have already establish a strong global recognition. McDonald's has recently met with a slow growth in sales as revenue rose less than 1 percent to $6. 92 billion in the quarter end of June 30. Analyst estimated revenue of $6. 96 billion, on average. (Bloomberg Business Week, Slowing Sales, 2012)

Problem Identification

McDonald's Research Problem:

Customer satisfaction from McDonald's service staff

Aims & Objectives:

To identify how consumers feel about McDonald's customer service

How often are consumers visit McDonalds?

To explore some of the ways that McDonald's use to reach out to its consumers. Eg. Hello Kitty Plushies, 2012 McDonald Coke cup

How should McDonald's overtake its competitors so as to attract consumers to come to McDonald's?

Research Design & Methods

I would be adopting a descriptive approach based on the questions posed; by obtaining the facts, it aims to provide me with information base on current situations faced by the company and also on market characteristics like market share, sales analysis, product usage, etc. It is also concerned with relationships and practices that exist, beliefs and processes that are ongoing, effects that are being felt or trends that are developing. (Best J. W, 1970).

Interpretivism is knowledge constructed by human beings. They analyze phenomena in terms of issues and will influence situations to a certain extent. However, flexibility may be required to allow emphasis of the research to change. Qualitative data are definitely preferred and generating rich data is as important as the ability to generalize.

I chose an interpretivist approach as I would be researching on McDonald's customer satisfaction. There have been recent issues on customers being upset with McDonalds customer service. However, apart from poor customer services that McDonalds offer, some customers would still come back to patronize due to McDonalds free gifts just with an upsize of a meal. Thus, by garnering the data from the different focus groups, I would be able to find out if McDonalds customer satisfaction is the cause of the loss of customers

or are there other reasons that have caused a decrease in the amount of customers patronizing them.

The four qualitative research methods of market research are: Focus Groups, Interviews, Case Study and Ethnography.

The qualitative research that I have adopted is focus group as I would be able to find out from the participants their thought on customer satisfaction in McDonalds.

Some benefits of a focus group method:

Group Facilitator

By having a group facilitator, the participants would not drift away from the discussion topic as the facilitator would be there to encourage discussion and generate interest among the participants. Due to the direct interaction between the researcher and the participants, it will provide a richer data.

Multiple Opinions

Apart from gathering information, focus group method allows multiple opinions at a time. This will speed up the efficiency of the work thus making discussions productive.

Spontaneity

By having many participants in the group discussion, participants are able to build on one another's responses. Apart from that, it can help build new connections with one another.

However, with benefits come limitations as well:

Unstructured data

Data may be difficult to analyze as it is unstructured. The findings may also not represent the view of the larger population.

Not everyone may participate

There would definitely be a few quiet participants who would not speak up. Thus this will make the discussion difficult if only some participants dominate the discussion. This would invalidate the data.

The reasons why I have not chosen the other research methods are because:

Interviews:

During interviews, there is no interaction with others and only just with one person, the interviewee. This may make the data collected very one sided. Apart from that, it is time consuming as we would have to schedule the interview according to the interviewee's free time. Sometimes, we may also face problems if the interviewee is too uncommunicative, this will make it difficult for the researcher to interpret.

Case Study:

A disadvantage of case studies is that it is dependent on a single case study thus it is difficult to make a conclusion according to one case study as the researcher may have a bias interpretation of the data.

Ethnography:

Ethnography is time consuming as it requires observation. At times the researcher may forget their role and become part of the group while doing their investigation. This will cause the data to be bias as the researcher accepts the cultural beliefs, values and norms of those being understudied as their own.

Therefore, focus group would be the best qualitative research method for me to research about McDonald's customer satisfaction

Based on the above, an inductive approach must be used to explore the problem. Since I have used focus group to do my research, I would be having 3 focus groups each focus group containing five to seven people in each group. They will be divided into each age segment from ages 13 to 17, 18 to 22 and 23 to 27.

Methodology

The sampling technique adopted here would be convenience sampling. This is because the aim of my interview would be to interview McDonalds consumers age age 13 to 17, 18 to 22 and 23 to 27 and collect their opinions about the customer service they receive in McDonalds. Focus groups work particularly well when researchers are trying to explore people's feelings and experiences in more depth than can be obtained from a survey. (Symon and Cassell, 2012)

Assuming that the researcher would be gathering 3 groups of McDonalds' consumers age 13 to 17, 18 to 22 and 23 to 27. There will be about 6 to 8 people in each focus group. By using the convenience sampling would allow me to randomly select a group of people from shopping malls or my friends

to gather and form a group of 6 to 7. Advantages of convenience sampling, it is very low cost and there is no need for a list of population.

The researcher would be holding the focus group interview in a discussion room held in SIM. The sample size for this research would be targeted 3 focus groups with about 6 to 8 people of age 13 to 17, 18 to 22 and 23 to 27 in each group. According to David W. Stewart and Prem. N. Shamdasani, 1999, it is a good idea to recruit more individuals than required as some participants may not turn up for the interview (David W. Stewart/Prem. N. Shamdasani, 1999). The researcher will be asking questions regarding how each age group feels about McDonald's customer satisfaction using a nondirective approach. This is because nondirective approaches provide a greater opportunity for participants' view to emerge." (David W. Stewart/Prem. N. Shamdasani, 1999).

Firstly, the researcher would go through the data and the sections that are relevant to the research objectives. Secondly, using colour coding, the researcher would then use the colour codes to differentiate topics in given research. After the colour coding process is complete, the researcher would then sort out the research via the colours. For example, the researcher would colour code objective 1- yellow, objective 2 – green, objective 3 – blue and objective 4 – pink. After each colour code has been sorted out, the researcher would then write a brief summary on each of the findings using the information they have gained via the focus group interviews. These findings would then be incorporated into the research.

Thus, from the research, the researcher would be able to find out how consumers from age 13 to 17, 18 to 22 and 23 to 27 feel about McDonald's customer service and whether if customer service is the only reason whether consumers avoid McDonalds. Secondly, to find out how often are consumers from age 13 to 17, 18 to 22 and 23 to 27 visiting McDonalds. Thirdly, to explore some of the ways that McDonald's use to reach out to its consumers from age 13 to 17, 18 to 22 and 23 to 27. For example: Hello Kitty plushies, 2012 McDonald Coke cup. Lastly, to find out how customers have suggest what McDonalds should do to overtake its competitors.

Conclusion

In this fast paced society, many would always turn to fast food, as it is cheap and quick. We can always grab fast food on the go instead of dining inside a restaurant or a food court. Apart from that, fast food chains like McDonalds are always offering free collection items eg. 2012 Olympic cups, with just an upsize of the meal.

Customer satisfaction is very important in this society as many customers want to experience good quality service from service staff or they would be unhappy. When customers receive good service, this would create loyalty towards the company and the customer would always come back to buy the same product again. Happy customers would also introduce the company to their friends and this would help the company gain more profits.

Limitations

The first limitation would be the whether the researcher is able to find people aged 13 to 17, 18 to 22 and 23 to 27 who are willing to take part and help

collect information for me for this research study. Like any other people, this group of people whom the researcher will be asking will also have their busy schedules such as attending school or work. They may not have enough time as they would also want to spend their weekends completing their work or spending time with their loved ones.

The second limitation would be that the focus group may not be of right mix of people, as the researcher would be approaching random people from age 13 to 17, 18 to 22 and 23 to 27 on the streets to help me with this research. Some participants may be more outspoken and would dominate the conversation thus others may not have a chance to contribute. Participants may also be uncomfortable with the location and setting of where the discussion is held. Therefore, the researcher needs to find a place where everyone would be comfortable eg, SIM discussion room

The third limitation would be the facilitator who is running the group. As it would be a very big group of participants, it would be a challenge to keep the group focused on the discussion topics and also to generate their interest. As opinions are part and parcel of a human, it would be tough for me to ensure that all participants are not led to opinions.

How Can It Help to solve the Company's Problem

The findings in the report would allow me to know if McDonalds customer service is of satisfactory or is it the reason that has caused many customers to go to other competitors such as Burger King, KFC, Subway etc. By finding out McDonald's strengths & weaknesses via the help of the focus groups, McDonalds could use this to its advantage to overtake its competitors.

By doing focus group interview, it would also give McDonald's a better idea of what the consumers are looking for. For example, if the results show that due to McDonald's poor customer service thus many customers are going over to other fast food outlets, McDonald's should try and improve on their customer service such that it would not lose out to its competitors.

Thus, this report is able to cover McDonald's customer satisfaction problems and if things takes a turn for the better, McDonald's would be able to attract back their " lost" customers due to their past services.