Exit value

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Exit/value

Task: Exit/value The lucrative market of fast food in the short-run has promising future. However, the future is coined in a number of conditions that expose the business to more risks rather than higher profit margins. Production of high quality healthy foods is a primary strength; nonetheless, the question surrounding this initiative revolves around the cost of production. Evidently, McDonalds recorded a 3% rise in sales due to incorporation of salad in its assortment, but what it is market share. Certainly, this is an indicator of variant larger trends subjecting a company to high sales within a given line of products. Undoubtedly, this shift in market segment presents a major threat to the survival of healthy foods in the short-run. The high number of fast food restaurants estimated at 160, 000 does not present any challenge, but aside from the external factors costs lead the marginal factors affecting growth within the industry.

Retail trends project a 9% growth with no sign of decline in the short run. Despite the saturation, it presents a window opportunity for health conscious business ideas that presents a situational dilemma. In essence, the question whether to stay or leave the fast food market rests on the ability to retain core competencies while at the same time advancing into the saturated market. Presently, producing high quality goods acts as point of strength; however, there is need to revolutionize the production and distribution channels. Existing companies like McDonald has a base of capital for alternative investment into new menu options. They also have a conscious management style variant of existing changes such as distribution channels.

Works cited

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