

Opm300 - intro. to operations mgmt. slp



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XXXXXXXXX OPM300 - Intro. to Operations Mgmt. SLP Application of
Ecommerce at Mc Donald's: Mc Donald's has implemented ecommerce in
several different aspects of the business. The company uses ecommerce
solutions for communication with the partners, reduce the communication
costs as well as increase the quality of the operations. One of the best places
that the company has adopted the ecommerce systems is for the e-payment
systems. Here the company has provided the customers with an option to
pay for the orders online without having to pay by cash. The company has
also been noted for entering into an online auction business in China (Binary
Bits). The online auctions provide the customers with a chance to buy
several different products like consumer electronics, cosmetics and also food
items. The company has used the ecommerce solution for the purchases and
has also focused on improving the restaurant performance by buying
products as well. The company also allows the customers make online orders
to save time while picking up the order (Steiner). This is very beneficial
considering the fast lifestyle in China. The company has also begun delivery
service in China. Ecommerce Competitive Advantage: Ecommerce can
provide a wide range of competitive advantage for the company. Firstly, the
use of the ecommerce systems will allow the company to effectively
streamline the supply chain and also improvise on the current processes to
ensure that the purchases are of the highest standards (Steiner). Secondly,
using the Ecommerce website allows the company to develop better
business to business relations as well as better business to customer
relations as well. Here the company reach out to a wider range of audiences
and provide the service to them as well. Also the Ecommerce allows

McDonalds improve the operations of its franchises and ensure that all the franchises get the best supplies (Binary Bits). This can also help the company improve the commerce initiatives as well as improve and coordinate the marketing initiatives as well. In terms of the customers, the company can also provide online cash less payments for the customers and also the instant deliveries which in turn help the company reach out to a wider range of customers. Here the company is also expected to make deliveries in the emerging economies as this helps the company gain a stronger and better competitive advantage. The company benefits from the ecommerce approach to a great extent and this has clearly brought about higher levels of success to the company. Gerstner's Comment and McDonalds: The comment made by IBM chairman Louis Gerstner on ecommerce, clearly is applicable for McDonalds as well. The ecommerce has clearly been used for globalisation of the business as well as to develop better relations between the businesses to business and also to gain franchisees across the world as well (Laudon and Traver). The ecommerce approach has also helped the company deliver the products to the customers within time and has brought about faster booking of orders and better payment methods. This helps the company keep the parcel ready for the customer before they drive in. This helps in reducing the overall cycle time and provides McDonalds with a competitive advantage (Steiner). Also this has a major impact on the inventories and the profits as well and with the reduced cycle time in the ordering process, the overall resources used are reduced which in turn helps the company save a great deal. With the ecommerce approach that the company has undertaken, the overall productivity, customer reach, experience, cycle time, speed and also globalisation has had a majorly

strong impact on the company and the overall success of McDonalds. Works Cited Binary Bits. McDonald's Expands Online Offerings in China. 29 April 2009. 22 March 2011 . Laudon, Kenneth C and Carol Guercio Traver. E-Commerce: Business, Technology, Society . Prentice Hall, 2008. Steiner, Ina. McDonald's May Enter Ecommerce in China . 20 February 2009. 22 March 2011 .