Mcdonald's in russia

War, Cold War



McDonald's in Russia (Technological approach) By Donald Jordan In 1985, Mikhail Gorbachev started a new programme of the reformation of the USSR, Perestroyka. It was aimed to improve the overall technological and industrial base hoping to increase the quality of life for many citizens in the country. The openness of the Soviet Union towards the Western world led to the new stage of relationships between the country and the Western companies. One of first firms interested in the Soviet market was McDonald's. The negotiations took a long period and finally in April 1988 the agreement was reached, creating the largest joint venture ever made between a food company and the Soviet Union. Thanks to this cooperation, USSR gained the access to the newest technologies. Right from the beginning, the key points of McDonald's were providing the new culture of the service to the country: cleanness, very fast and polite customer servicing. A huge amount of the specialists from such countries like USA, Canada, Netherlands, and Germany supported the creation of the first fast food restaurant in the USSR. Equipment from Austria, Denmark, Sweden, Spain, Switzerland, and United Kingdom was delivered for the establishment of a very new system of doing business. However, there were many problems faced by McDonald's. Since the Soviet machinery lagged fifteen to twenty years behind Western technology, new machinery from Holland was used to harvest the potatoes used to make French fries. According to the Dutch consultants, it was possible to accelerate the process of the adaptation of the Western methods in the Soviet agricultural sector. A huge problem of the size of the potatoes was solved by implementation of a new variety of this vegetable, so that the start of production of big size French-fries was possible. The training of the

Soviet management personnel in the United States enabled the transfer of practical knowledge between two countries. The participation of the personnel on the programmes offered by McDonald's special hamburger university gave to these Soviet personnel new managing skills and additional qualification. New equipment and modern designed furniture of McDonald's was a big attraction for lots of the people living in USSR and led to the very quick acceptance of the fast food chain among the majority of the population within the country. Being something very new in Moscow McDonald has marked this period of the history of the city. Through the very quick process of adaptation of the new Western way of life, many other big companies very attracted to the emerging economy of Russia in the later years after the collapse of the Soviet Union. Having showed a huge interest in new products and services provided by famous companies of USA or Western Europe former Soviet citizens become the target of new marketing campaigns and investments of the Western world. Transfer of the technology and the establishment of democracy in the country were pushed through because of the early cooperation between East and West. Not the last role in this process played McDonald's. Being maybe just a symbolical step to the transition of Russia this first fast food restaurant in Moscow helped adapt the values leading to new opportunities of doing business in Russia. Some critical voices could argue that spreading of "McDonald's culture" are destroying and have a very negative influence of the existing traditions of every country, of every region where this company appears, however, in this case, McDonald's helped much more than it destroyed!