

Case_bba

[Business](#), [Industries](#)



Name: Lecturer: Course: Date: CASE_BBA McDonalds Company is considered the largest chain producer and supplier of fast food varieties such as hamburgers.

The company caters for up to sixty million customers through out its global chain stores in a single day. The company was established in 1940 as a simple barbecue buffet and has gone on to grow and establish its dominance in the fast food market due arising from its production line policies and strategies (Gould, 11). The company's main objective is to provide quality services to its customers by serving unique food and beverages. From my research and findings, below is my proposed three-year strategic plan for the company's CEO. Swot Analysis Among the strengths empowering the company include the strong alliance arising from the established chain stores and franchised businesses (Weinstein, 6). The other strength of the company lies behind its ability to innovate and produce new appealing products to satisfy customer taste and preference.

The third strength implemented by McDonalds is its globalization strategy. This allows the company to have competitive advantage over its competitors by venturing into worldwide markets (Weinstein, 16). The weaknesses of the company include the flooded fast food market in the United States making it difficult to build its brand effectively. The other weakness of the company is its low yielding annual dividends and does not seem to show any signs of improvement in the near future.

Over the next three years, the company can attempt to improve its marketing strategies to improve on its dividend. The company's

opportunities include venturing into potential markets such as that in China. The other opportunity McDonalds can utilize is broadening their innovation to include more varieties in their menu. The third opportunity the company can also utilize is the available low interest rates that offer an opportunity for capital growth and development. In my opinion, I would advice McDonalds Company to broaden its market share and venture into untapped markets in the course of the next three years. This would enable the company to build its brand and reputation further, as well as take advantage of the low interest rates. Threats facing McDonalds Company include legal action from the government by new policies against fast food operations (Stires, 45).

The other threat facing the company includes competition from other fast food brands such as Burger King and Yum. Other threats include increased price of product materials. In my opinion, I would encourage the company to engage in strategic marketing as an attempt of fending off competition and innovate on other alternative cheap goods to substitute for the current expensive production materials. Vision and Mission Statement The mission and vision of McDonalds Company involve offering services and curriculums that attract investors interested in purchasing the company's stock.

Currently, the company is facing inadequacy in the technology department and has a mission of advancing to improve its technology to incorporate current trends in the sector. In addition, McDonalds has a vision of enhancing its basic beliefs, values, and ethical priorities. This should involve improving on its production operations and enhancing customer services to suit their cultural beliefs.

Customers should feel more appreciated if McDonalds Stores become more conscious about their culture and beliefs. Compared to its major competitors such as Burger King and Yum, McDonalds lacks adequate competitive advantage and edge (Stires, 61). In my opinion, this can be achieved in a three-year period.

If the company shifts its focus on untapped markets such as the Asian continent, this would ultimately increase its competitive advantage over its rivals. This should be supplemented by adequate research and marketing strategies to build on its brand. More so, McDonalds should also become socially responsible to build on a good reputation. This will attract more investors as well as customers. Critical Success Factors McDonalds is among the largest prominent companies in the fast food industry. The company makes its products produced in a similar manner and available to all its worldwide stores. The success of the company can also be attributed to its strategy of applying a franchising business model (Weinstein, 32).

This model serves to provide further revenue for the company other than its sales. In addition, the company also attracts investors interested by the successful nature of the company. McDonalds also engages in promotional plans as a means of counteracting local and global market negative effects on its sales margin and net income. In addition, the company also implements backward integration to limit supplier power in dictating material costs. Strategies and Action for Objectives Upon my assessment of McDonalds SWOT analysis and financial statements, I came up with the following suggested recommendations for the company's CEO to implement in the

next three years (Wheelen, 4). I would advise McDonalds Company to broaden its market share and venture into untapped markets in the course of the next three years.

This would enable the company to build its brand and reputation further, as well as take advantage of the low interest rates (Light, 18). I would also encourage the company to engage in strategic marketing as an attempt of fending of competition and innovate on other alternative cheap goods to substitute for the current expensive production materials. Moreover, the company should feel more socially responsible and “ give back” to the community. This would be a good attempt to build on a good reputation to attract more investors.

Moreover, customers like to be associated with a company bearing a good brand and reputation. Works Cited Gould, William. McDonalds. Evans Brothers, 2000. Print. Light, Larry, and Joan Kiddon. Six Rules for Brand Revitalization: Learn How Companies Like Mcdonald’s Can Re-Energize Their Brands.

Upper Saddle River, N. J: Wharton School Pub, 2009. Print. Stires, David. “ Mcdonald’s Meltdown – the Company Has Had Six Straight Earnings Disappointments. Its Stock Is Down 42%. and We Can’t Even Remember the Jingle! What Happened?” Fortune. 145.

9. 2002: 74. Print. Weinstein, M.

“ Mcdonald’s Recipe for Success.” Training New York Then Minneapolis Then New York. 49. 1 2012: 60-63. Print.

<https://assignbuster.com/casebba/>

Wheelen, Thomas L, and J D. Hunger. Strategic Management and Business Policy: Concepts and Cases. Upper Saddle River, NJ: Pearson/Prentice Hall, 2008. Print