

Case study mcdonalds

Business, Company



SHERIDAN College CASE STUDY ON McDonald's JASKARAN KULLAR 991313325
BUSINESS MARKETING JOHN COOPER 14, MARCH 2013 McDonalds A Current
Marketing Situation STRENGTHS 1. McDonald's is the world's largest
restaurant organization. 2. Strong brand name and recognition. 3 McDonald's
generate more than \$40 billion in system wide sale. 4 It operates over 35000
restaurants in more than 100 countries on six continents. 5 It has an
unparalleled global infrastructure and competencies in restaurant
operations, real estate, retailing, marketing and franchising. McDonald's
website says that it is a leader in the area of social responsibility and is
committed to protecting the environment for future generations. 7 Strong and
wide communication channel in the market. (deng, 2009) 8 Play areas for
children. 9 Large target markets. 10 Recession resistant (Birchall, 2008) 11
In September 2003 successful backing up of new products was launched with
MTV's advertising campaign featuring the new tag line, " I'm Lovin' it".
(Jennifer, 2004) WEAKNESSES 1 McDonald's has not achieved its growth
expectations in past several years. Narrow Product lines. (deng, 2009) 3
McDonald's brand association as a junk food. (deng, 2009) 4 Few option for
healthy eating 5 High employee turnover rates. (macy, 2012) 6 McDonald's
also have some bad effects on environment. (ltd. , 2006) 7 McDonald's also
faces many types of legal actions on many issues. OPPORTUNITIES 1 Product
packing for McDonalds now features QR codes for customers to get
nutritional information. (Mcnamara, 2013) 2 Opportunity to enlarge market,
the consumers who care about health issue. (deng, 2009) 3 Slightly changing
market brand image of McDonalds. (deng, 2009) 4 In 2009, McDonald's
launched its hefty Angus burger in all U. S. A locations. 5 Introduction of

trans-fat-free French fries in all restaurants in the U. S. A and Canada. 6 Introduction of McCafe. 7 Testing marketing fruits and vegetables as happy meal at some outlets. 8 McDonald's franchises overseas became a favorite target of people and groups expressing antiglobalization sentiments. Entry into new and highly popular product categories. THREATS 1 Public attack aboutobesityissue. (deng, 2009) 2 Changing taste of consumers. (deng, 2009) 3 Unable to keep patrons as special order sandwiches offered by rivals Burger King and Wendy's. 4 Promotional plans like McDonalds game found conspiracy with 51 people charged in a part of scam winning \$24 million by stealing winning McDonald's tickets. 5 McDonalds showed a delayed effect than other restaurants operators in switching over to zero trans-fat cooking oil. In 2001 McDonald's was sued for hurting religious sentiments by vegetarian groups for not revealing its flavors in French fries as it added beef extract to vegetable oil and showing it as veg in menu. 7 Consumers began filing law suits that eating at McDonald's had made them over weight. 8 Competition from burger kings and Wendy's. (Thomadsen, 2007) MARKET SEGMENTATION TARGET MARKET| BABY BOOMERS| GENERATION X| GENERATION Y| GENERATION Z| DEMOGRAPHICS| 45-65+| 35-44| 19-34| 0-18| GEOGRAPHICS| URBAN| URBAN| URBAN| URBAN| PSYCOGRAPHICS| More concerned with low cholesterol food| More concerned with low fat food| More concerned with physical fitness food products| Generally eats taste oriented food products| BEHAVIOURAL| Mostly concerned with good quality of food products| Requires access with quick and fresh food service| Generally catch-up food by themselves by reaching out| Check out with friends andfamily|

ISSUE ANALYSIS In 2004, Morgan Spurlock's documentary film Super-Size Me gave very criticism to McDonald's fast " nutrition", in which he shows how he gains fat and destroy his health by eating McDonald's. 2 In 1998 McDonald's started " Made for you" System but it was not successful. There was a decrease in growth of sales in stores. 3 In 1999 before the implementation of " made for you " scheme , McDonald's planned to provide about 190 million in financial assistance to its franchisees , but the actual cost of implementing the system ran much higher than the corporation had estimated. In 2001, 51 people were charged conspiring to rig McDonald's game promotions over the course of several years, revealing that \$24 million of winning McDonald's game tickets had been stolen as a part of scam. 5 In 2004, McDonald's was sued for extracting a small amount beef added in to the vegetable oil used for cooking French fries. 6 Many people still complain that the food served by McDonald's is not hot to eat. **RECOMMENDATIONS PRODUCT :-** 1 McDonald's should provide hot food to eat because many customers complaint that their food is not so hot to eat otherwise it will affect sales. McDonalds should bring some new healthier products for all ages because bad effect on health is one of the weaknesses of McDonald's and bringing some healthier food will help to overcome this image. 3 McDonald's should provide some free snacks because it will help it compete with its competitors and increase sales. 4 McDonalds should make their products in fat free oil because it will have good effect on health. 5 McDonald's should also provide some regional food because in this way some rural people will also start accepting its products. Launching of new fried and bone in treats in Chicago. **PRICE:-** 1 The price of products should be affordable because if they will not be affordable to small

income group then its sale will be affected and it will also give the opportunity to competitors to increase their sales. 2 The prices of products should be regularly checked so as to compete with competition because people will buy those products which they can get in low price. PLACE:- 1 McDonald's should open new franchises in small cities also . It will help them to expand its business and increase growth. McDonald's should increase the number of its franchises in all countries in order to expand its business. PROMOTION:- 1 McDonald's should provide some discount on more products purchased because in this way people will buy more. Because some people will start purchasing more items if they can get discount. 2 McDonald's should provide home delivery service because sometimes some people can't go to store in order to purchase them. It will increase sales. 3 McDonald's should provide online sale because in this way people can place their orders online. McDonald's is working on new salads and wraps . (wong, 2013) 5 McDonald, s will test the new fried and bone in treats in Chicago. (wong, 2013) 6 Success of mighty wings in Atlanta. (wong, 2013) BEST RECOMMENDATIONS PRODUCT:- McDonald's should provide some healthier food for all ages because health obesity is the major problem with McDonald's . In this way they can get good image regarding health. PRICE:- Prices of products should be regularly checked in order to compete with competition because people will cheapest product. PLACE:-

McDonald's should open new small franchises at small cities also because it will help him to expand its business and increase growth rates. PROMOTION:- McDonald's should provide home delivery service because sometimes people can't go to store in order to purchase product. BIBLIOGRAPHY Bibliography

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