

McDonald's vs kentucky fried chicken



**ASSIGN
BUSTER**

McDonald's Corporation is the world's largest chain of fast-food restaurants, serving nearly 47 million customers daily. The corporation started as a small drive-thru restaurant in 1948 by Dick and Mac McDonald. Ray Kroc saw the great opportunity in this fast-food and advised the two brothers to expand its operation and open new restaurants. Ray acquired franchising rights from the owners, the McDonald brothers and then, founded McDonald's Corporation in 1955.

In 1967, McDonald's expanded its operations to countries outside U. S. A. McDonald started its quality journey by Ray whom was relentless in his pursuit of providing the best product quality, delivering the best service in clean restaurants, anywhere in the world. McDonald's The first McDonald's was established in 1975 and McDonald's Hong Kong (MHK) being one of the leading Quick Service Restaurants (QSR) in Hong Kong, demonstrated her company-wide commitment to Total Quality Management and being elected by the Board of Examiners to be one of the two Overall Winners for the 1998 HKMA Quality Award.

KFC: Kentucky Fried Chicken (KFC) Corporation is a member of the Pepsi family of quick-service restaurants. Established in 1952, the FKC system consists of 2000 company-owned and over 3000 franchised restaurants. In 1992, KFC generated sales of over \$3 billion while serving over 600 million customers. KFC has several basic types being a dine-in restaurant with a customer seating area with delivery services launched in recent years. The quick service restaurant industry is one of the most competitive and saturated industries. Growth in market share for one company generally comes at expense of some other company's market share. The competitive

pressure that restaurants in this industry face also means that to simply hold on to its current customer base, a quick service restaurant must offer consistent, high quality service. Moreover, improving service quality can also mean improved productivity, leading to low costs and higher profitability.

Strategic Leadership and Clear Direction McDonald's mission and vision is to be the world's best quick service restaurant experience. Being the best means providing outstanding quality, service, cleanliness and value, so that they make every of their customer in every restaurant simile. To achieve their vision, McDonald's are focused on three worldwide strategies:

1. Be the best employer for our people in each community around the world,
2. Deliver operational excellence to our customers in each of our restaurants,
- and 3. Achieve enduring profitable growth by expanding the brand and leveraging the strengths of the McDonald's system through innovation and technology."

This mission clearly provides Total Quality Satisfaction through Quality, Service, Cleanliness and Value. The overall Strategic Development Process is well defined with intensive considerations on customer/market requirements, competitive environment and supplier capabilities. In addition, action plans and performance measures are well thought through and structured to support the committed strategic plans. Quarterly management reviews with all the department managers are being held to monitor the process relative to plans. It demonstrated the vision and commitment of the senior management.

While, KFC's mission is " Recognition: KFC find reasons to celebrate the achievements of others and have fun doing it, KFC is right up there with " Customer Focus" and Belief In People." Recognition is everybody's responsibility. KFC started encourage informal recognition, things have really changed. Keeping employees longer, employees are happier and will work better for the company. To ensure consumers can always enjoy top-quality and safe food at KFC whom vigilantly implement the strictest standards throughout the entire food-preparation process. From selection of suppliers, rising and handling chickens, through delivery, cooking and in-store service, every step is closely monitored to ensure that all KFC meals are safe and delicious. Also, there's best employees with photo displayed at every of KFC restaurants. Recognition can increase staff's loyalty to the company and encourage them to work harder and happier.

Understanding and Definition of Customer Expectation and Quality

McDonald's shows it's sincere to understand and satisfy the needs for all levels of customer. Happy Meal set with free toys which enhance kid's satisfaction and attraction by up-to-date movie toys or licensed toy. It increases the meal value and meets kid's expectation. The " old people discount card" shows its concerns and needs of the elderly group. The set up of Mac Café has taken the need of middle class whom need high quality coffee, food and shop environment from McDonald's. Lately, McDonald's has been opened many 24 hours shop which let people can enjoy McDonald's anytime. All these have shown that McDonald's concerning the needs, expectations for every group.

KFC has also done a lot of work to continuously invent and launch new products which better fit the taste of Hong Kong people. Fulfilling their slogan “ Licking Fingers”, many KFC restaurants has installed the water tap. People can enjoy the chickens by hand without the fear of licking the dirty hands or cleaning the greasy fingers. KFC started the free delivery during the World Cup couples years ago. This can let people enjoy the fast-food at home.

Marketing strategy that works with the quality strategy McDonald's quality strategy was founded on the QSC&V formula – representing Quality, Service Cleanliness and Value • Quality: Message has been delivered to Customers at McDonald's that they have been committed to be provided with products that are result of the best ingredients, strict standards and proven preparation procedures to guarantee a safe, great tasting product • Service: Smiley and happiness image of McDonald's has been well polished in its marketing campaign. This is also in line with its quality strategy where employees are trained to provide service frequently exceeding customers' expectation. Thinking like customers is the key to success in its training aspect.

- Cleanliness: Hygiene and food safety have been highlighted in promotion campaign since the outbreak of safety concern in public in the past few years. Emphasizing traceability of raw materials is an example telling the public McDonald's is placing cleanliness and freshness at high concern. At a higher level, McDonald's target itself to be an environmental friendly organization. It demonstrates by promoting green programs such as tree planting and recycling campaigns. • Value: It's defined as the total

experience, not only the tangible goods, received for what customers pay at McDonald's. Continue improvement keeps adding values to Customers. Great food, friendly staff, clean environment, quick and accurate service are meant to be provided and contributed by every staff at McDonald's.

In contrast, KFC put much emphasize on top quality and safe food by implementing strict food preparation process vigilantly. A step by step monitoring has been introduced to customer in order to gain trust and goodwill by providing transparency to the manufacturing process. The marketing sector of KFC is observed to be much primitive compared with McDonald's. Although KFC also implemented a Quality, Service, Cleanliness Program, which is highly similar to McDonald's QSC&V formula, since 1977, not much details has been revealed to general public through any means of marketing campaign.

A clear system, outline and frame works for applying total quality McDonald's has a 3-1-Q Process, i. e. a 3-year Strategic Plan, 1-year Annual Plan, and a Quarterly Review Process. This annual process takes both a top-down and a bottom-up approach. Top management delivers the latest action plans and performance measures comply with company's strategic goal while gaining information from frontline employees by reporting what they perceive. An agreed and achievable goal is then set; all staff down the hierarchy has a clear goal set. Quarterly management reviews will all department managers are being held to monitor the process, assuring momentum and pathway towards goal are in control.

Quality management at KFC uses 2 complementary programs for measuring quality. The Quality, Service and Cleanliness (QSC) program for judging the quality of service outcomes from the perspective of a customer. Mystery shoppers conduct a QSC evaluation of each outlet twice a month, followed by filling in a standard QSC form so evaluation is performed in an objective, accurate, and consistent manner. Another program is the Operations Facility Review (OFR) program for measuring a restaurant's process implementation performance against KFC's process specifications. This helps KFC to ensure nationally consistent, high operating standards and performance in all its restaurants through the use of a standardized evaluation program. The result of these 2 quality measurement programs are incorporated into a quarterly report prepared for senior management at KFC. Such program plays an important role by providing data on customers' expectation, allowing KFC management to take immediate corrective actions

Evidence of Well Managed and Continuously Improved Business Process

McDonalds already had developed a very detailed working step to governing the production and service process. Rigorous supervision at every step of the procedures ensures freshness and hygiene. The employees must follow the certain Standard Operational Procedures. They continuously demand quality ingredients, strict procedure and restaurant and staff hygiene. For example they had regularly checked vegetables for freshness and quality and levels of bacteria. They require their employees to keep themselves and restaurant clean at all times.

For example, sterilizing the kitchen utensils once every 4 hours, washing their hands at least once an hour and wearing plastic gloves to prepare the food. Therefore, the customers always receive exceptional quality and service. They also had appropriate training to front line crew members and close supervision. Using people vision " To be the best employer in each Community Around the world" Being the best means opportunities, training and development; satisfaction, reward and recognition. Therefore, the customers always receive exceptional quality and service.

KFC has devised and implemented a set of cooking and food handling instruction and guidelines. All employees must undergo a series of stringent and high-standard training programs before on duty. They used computerized fryers in all KFC. And each KFC has its own professionally trained resident Food Master and Chicken Master. Their role is to strictly maintain quality and safety. And every KFC has a hygiene manager to conduct daily environment, food and employees hygiene inspection. And their staff need base on each product own pre-set time and quality criteria to discard those product which are not up to standard. Therefore, KFC had 100% quality guarantees.