

McDonald's

Business, Marketing



McDonalds Introduction McDonald's is a corporation that has been in existence from 1940's and has the largest chain of fast food restaurants that serve hamburgers to more than 60 million people daily. When the corporation began, it had the right business model for the two emerging trends. The first was the baby boomer trend where there was an increase in the number of teenagers and women joining the labor force in the 1960's. This led to an increased demand for the company's inexpensive and fast menu.

Core Values and Marketing Strategy

As people started having more access to information that makes them health conscious, McDonalds began facing all sorts of challenges which took its toll on equity performance and sales growth. This led to the development of the current marketing strategy that addresses the 5 core areas. They changed the McDonald's restaurants to accomplish updated, branded and more natural dining environment. They added more natural foods such as salads, carrot sticks, fruits and healthier drinks with real ingredients.

Other actions that McDonald's can take

In as much as the Company has taken up this marketing strategy, there is a more serious challenge. First, the baby boomer trend that propelled the company to success is nonexistent. This is because they now watch their calories more than they are concerned about convenience and speed. The brand of the company is also not associated with a healthy diet. The company can change the images used in advertisements from sodas and hamburgers to salads and other healthy items. In addition to that, they can acquire a company that is already branded with the new trends.

Global competitors

Change in consumer preferences has seen McDonald's face stiff competition from other corporations such as Panera Bread and Chipotle Mexican Grill that offer foods with fewer calories (Love, 2012). Customers are even willing to pay more in these places. However, McDonald's still has a lot to offer especially in emerging new markets.

References

Love, J. F. (2012). Mcdonalds: Behind the Arches. Paw Prints.