

Domestic environment

[Business, Industries](#)



Domestic Environment The McDonalds Corporation is the current most admired business establishment in the food service industry in America. The corporation was established in the period 1940 in San Bernardino as a joint effort between Richard McDonald and Maurice McDonald.

In 1955, the initial founders transferred the establishment to Ray Kroc who is responsible for the present culture in the food industry. Kroc's business center had been the ninth McDonald restaurant to be instituted in the market expansion program. Aggressive expansion soon followed with an aim of acquiring at least one outlet in each state and by the year 1963, McDonalds had instituted five hundred restaurants in America. Initial global expansion was began in Canada and Puerto Rico in 1967 and currently the company owns more than thirty-two thousand outlets in the one hundred and seventeen countries that it operates.

In the year 2010, the McDonalds Corporation was voted as the fourteenth most admired on a scale of fifty yet in the mentioned industry, it ranked as the most admired. In the US, its most three notable rivals are the Yum! Brands, Starbucks, and Darden Restaurants; this is in order of their competitive strength (Cable News Network, 2010). McDonalds is worst admired for its low service quality as well as the product excellence. The average amount taken for a customer to be serviced is determined to be slow when compared to its competitors and the corporation ranks as the third within the food industry. The most notable food item in the McDonalds menu has been the burger and French fries noted for their elevated levels of calories highly disapproved due to the health implications. Current business process apply a customer-centric approach that focuses on producing items

according to consumer needs and wants as opposed to earlier advertisements that focused on the product. This form of business environment has forced the company into introducing environmentally degradable packages that now include the nutritional compositions of a given food item. Moreover, the food store has now introduced healthy foods like salads, fruit smoothies and frappes, coffee products, among others (McDonalds, 2010).

Production techniques used by McDonalds has been condemned with regard to green house emissions and this has led to the establishment of the hydro fluorocarbon free outlet in Denmark as a deviation into the right manufacturing forms. Child labor has drawn a lot of negative reaction for the company as noted in 2001 and 2007 when the company faced legal sanctions with regard to the same. Overprotection of company image has led to the bitter closures of a few business organizations like McCurry for the fear of the businesses' success due to its known trademark name (McGrath, 2010). This has infused an element of unfair competition to some businesses. Other than the domestic market regulations concerning the food types and the manufacturing processes, there are some notable government regulations that the company must observe. The US FDA Food, Beverage, and Dietary Supplement Regulations manage the food industry in terms of hygiene food handling, superior packaging standards, and products labeling. In food handling, the company has to ensure that the manufacturing premises and food preparers remain clean throughout the working hours. Packaging has to be handled in an equally strict manner and precise food labels are accorded to each product for informed consumer choices.

On global establishments, regulations tend to vary according to cultural or religious practices. For instance, the Indian outlet in conformity to Hindu religious practices only manufactures mutton burgers instead of beef and pork burgers (McDonalds, 2010). Within the same culture, vegetarian and non-vegetarian practices are treated with high and strict policies. All vegetarian dishes have to be cooked in a separate room from the meat products. Cultural stipulations have also led to difference in food services across various nations. In Canada, the burger has to be served with gravy and cheese curd. In Japan, rice is termed as a complementary dish in all servings. In Australia, the burger constitutes of an additional ingredient, the beetroot.

All these variations emanate from the domestic environment. References
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