

Pestle analysis of mcdonald's



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Contents

- Threats:

PESTLE is a concept in the marketing principles. This concept is used as a tool by companies to record the environment they're operating in or are planning to launch a new project/product/service etc.

Analysis

Political Factors

There are certain groups in Europe and the United States that protest in order to draw attention to the health implications of consuming fast food. They claim that harmful elements such as cholesterol and adverse effects of obesity are a consequence of consuming fast food.

As well as this, factors such as the tax law, employment law and related trade restrictions influences McDonald's operations; tax dates could affect the growth of the organization. Moreover, the working environment employment restrictions like working hour's regulation would require McDonald's to employ more staff.

This type of changes would involve increasing the overall cost involved.

Therefore, certain restriction have a strong influence on the operations of the organization and certain laws penetrate in order to force the content of the food.

Economic Factors

Organizations like McDonald's that have a global presence, are affected by the modification in the inflation or the exchange rates. Therefore, these

changes must adapt to the issues and the effects of the economic environment. The economic factors also determine the supply and demand relationship of the raw materials within the organization. Other economic factors that impact the organization are wage rate and the cost of living.

Socio-cultural Factors McDonald's uses international strategies to attract different cultures, so it's assured that McDonald's is successful in most of the countries.

Therefore, the organization improves on establishing a positive mind-set from their core consumers and also developed in order to illustrate that they can adapt. McDonald's have understood that its customers are based on their characteristics and a recent survey has proved that McDonald's most frequent customers are below the age of thirty-five.

Technological Factors

The Company's key tool for marketing is television advertisements. Including the technology in their operations, McDonald's tends to add value to their products.

As well as this, it helps McDonald's have a close relationship with its customers as it's an easier way of communication; McDonald's would get its reviews from the customers easier and also they can promote new products.

Environment Factors

The social responsibility of McDonald's in an area is influenced by the operations of the company in that specific area. Therefore, these actions would require accusations of environmental damage as McDonald's uses

non-biodegradable substances for the glasses and Styrofoam coffers, which are offered with the meals.

This would influence McDonald's operations as the people in charge of an area might have to influence them to change certain things that would have an impact on the environment.

Legal Factors

These would be legal aspects such as tax obligations, employment standards, and laity requirements that the company has to take into consideration in order to pi SWOT and PESTLE analysis

By allegories A SWOT analysis is a structured planning method used by businesses to evaluate the strengths, weaknesses, opportunities, and threats involved in a project or in a business investment.

Analysis

Strengths:

Innovation and diversification in their product range.

Extensive geographical presence.

Management and franchise network's support and adaptability to the market

Weakness:

Customer behavior and expectation differs vastly among different cultures and mandarins

Opportunities:

Increase in the number of applications for franchising.

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Increase in demand for the service oriented sector with increase in population of the consuming class.

The commitment to provide health conscious diet has attracted customers across the globe.

Innovation in the product range keeps on accumulating the customer base.

Threats:

Legal threats such as law suits against the restaurant, their advertising, meals, obesity caused by their food, fries, employment. Campaign against McDonald's by independent organizations like Nightlight posing a real risk to its marketing tragedy McDonald's has problems with variations in operating and net profits which ultimately impact investor relations.