

# [Globalization and impact of mcdonalds globalization commerce essay](https://assignbuster.com/globalization-and-impact-of-mcdonalds-globalization-commerce-essay/)

In the irreversible tide of globalization, whether developed countries or developing countries, regardless of whether it is willing, have consciously or unconsciously integrated into the process, or they will lose living space. Certain culture is linked to a certain level of economic development. Economic globalization is bound to have profound effects on global culture, so all kinds of culture are undergoing great changes under the great driving force of economic globalization. Culture has a lot to with the contemporary way of life, so globalization has a great impact on the consumers (David, 1996). In the process of globalization, many enterprises embark on a path from Localization to globalization, and McDonald’s is just the example that plays an important part in the fast-food business in the world. McDonald’s has made a great success in the international arena since its inception, and it has left a deep impression on the mind of many consumers. Now McDonald’s is not just a restaurant, but also a cultural symbol, which has an impact on consumers. McDonald’s has implemented a series of marketing strategies in order to adapt to the cultural environment of other countries, and this changes also affect the local consumers. Now McDonald’s has become a global icon, and it affects the lifestyle of people worldwide. This article mainly includes two parts: the first part focuses on human consequences of globalization, and the second section is primarily about McDonald’s globalization and the impact on consumers.

2, human consequences of globalization

Globalization is a new phenomenon becoming increasingly apparent since 1980s, and it is the basic characteristics of our times (Steger, 2003). Globalization is a process, which refers to the flow of material and spiritual products break the shackles of regional and national boundaries, affecting every corner of life on Earth. Globalization also includes cross-border movement of personnel. The flow of human is the highest level of comprehensive between material and spiritual movement. In the process of globalization, the most obvious feature is economic globalization. Globalization has a great impact on human, and the influence is increasing with time going on. Correctly understanding and properly dealing with globalization is conducive to promote economic development and progress of human civilization.

Just as every coin has two sides, globalization also has two different effects on human. Globalization has gone far beyond the economic field and is producing a wide range of influence on the international political, security, social and cultural fields. The positive effects of globalization are as follows: the first aspect is on promoting the development of innovation. Globalization promotes the global optimal allocation of production, resources, personnel, trade, investment and finance, which reduces costs and improves efficiency. If countries would like to explore advanced development model, they must consider the factors of globalization and make use of the opportunities of globalization. The second aspect focuses on promoting the rational allocation of resources. Globalization can reasonably allocate the worldwide Capital, technology, products, markets, resources and labor. Globalization has accelerated the free flow of production factors in the worldwide and formed a unified global market, which promote the globalization of multinational operations and restructuring of global industry, and maximize the optimal allocation of resources. The third aspect is primarily about boosting human civilization. Based on globalization, global issues, global interests and global governance, human may form new common values of human and new human civilization, which can break the West’s leading role of human civilization and achieve a higher surpass than Western civilization. When seeing the positive effects of globalization, at the same time, the gradual accumulation of its negative effect can not be ignored (Stiglitz, 2003). The first aspect is about instability of the world economy. Globalization strengthens the instability of the world economy, which is adverse for countries to make a development. The relationship between national economies and the world economy is becoming more closely under globalization. Each country’s economic stability will depend not only on their domestic factors, to a greater extent by the tremendous impact of international factors. Fierce competition and economic instability increase the difficulty of developing the national economy. The second aspect is on global economic crisis. With the increasing close of the global economic chain, it has a big possibility that a sharp rise in energy prices, serious financial order out of control, obviously big country’s economic recession may cause the global economic recession.

3, McDonald’s globalization and the impact on consumers

3. 1 McDonald’s globalization

McDonald’s corporate headquarter is located in the Illinois of United States, which is an international company of possessing multi-billion dollar. Now McDonald’s has become one of the largest fast food chains in the world. Since the McDonald brothers and Ray Kroc, the founders of McDonald’s opened its first restaurant in the Illinois of United States, McDonald’s has established more than 30, 000 restaurants, located in over 120 countries and the regions around the world, and its worldwide turnover is about 10. 49 billion dollars¼ˆRitzer, 2006¼‰. McDonald’s is developing at a rapid speed, and McDonald’s represents an American way of life in many countries. McDonald’s sales firmly carbonated drinks that Coca-Cola Company offers, McDonald’s and Coca-Cola Company practically form strategic alliances. McDonald’s around the world make appropriate adjustments and try to be in accordance with the tastes of local people. In addition, McDonald’s now controls some other restaurant brands, such as Aroma Café, and Donatos Pizza. In 2008, McDonald’s total revenue reached 23. 5 billion U. S. dollars, net profit of 4. 3 billion U. S. dollars. “ Ronald McDonald” as one of the McDonald’s signs, a symbol of harmony and friendliness, represents that McDonald’s will always be your friend and community member. McDonald’s is ready every now and then for children and community’s development to devote its strengths. Children’s Charity Foundation of “ Ronald McDonald” was established in 1984, and the organization has donated more than 5 million U. S. dollars to help the children around the world. McDonald’s has made a great success on a global scale. Over half of McDonald’s restaurants are located overseas, which is the globalization strategies of McDonald’s. McDonald’s restaurants can be discovered in 118 countries and regions around the world, serving 50 million consumers everyday (Alfino, 1998). McDonald’s has opened 100 new restaurants in China a year, and meanwhile, McDonald’s has accomplished its goal of 1000 new restaurants by the opening of the 2008 Beijing Olympics, which are all the certification of McDonald’s globalization.

The founders of McDonald’s have never anticipated that their ambition has so astounding influence. The influential development of McDonald’s has an impact not only on the fast-food industry, but also on the contemporary way of life, and the impact is likely to accelerate in the early 21st century.

3. 2 McDonald’s impact on consumers

Just as globalization has two different aspects of effects on human beings, in the process of McDonald’s globalization, McDonald’s impacts on consumers are also different, including positive effect and negative impact. “ Ronald McDonald” is McDonald’s “ Chief Happiness Officer”, and he has lasted for about 50 years. Previously, children, youth, parents and other market segments were familiar with amiable “ Ronald McDonald”, who was a good “ brand ambassador”. McDonald’s corporate culture is a kind of family-happy culture, which emphasizes its influences of happy culture. Duo to its huge influences, McDonald’s has an impact on eating habits of consumers.

MacDonald’s has three characteristics: quick, cheap and widely accepted by the public. But the feature of “ fast” has actually changed. Fast food restaurants have changed into the conveniently leisure and recreation area, so the function has changed (Schlosser, 2002). Now the restaurants have turned into the celebration ceremony, the premises of reading and writing, birthday party places, and leisure venue for chatting. From the feature of “ cheap”, most people only occasionally patronize, which explains that the food is not real cheap. From a deeper level, the significance of McDonald’s as a symbol of American culture is more obvious than as a symbol of fast food. McDonald’s has become a cultural ambassador and make more people understand American culture. The meal price of McDonald’s between species has little difference, so does the consumption level and the services provided. Warm dining environment and good services attract many kinds of social groups, and McDonald’s is showing a different image in all kinds of people’s minds. All kinds of people with different needs and life experience see the same thing, and their feelings also are different (Tomlinson, 1999). They grasp a point of McDonald’s culture from their own perspective. McDonald’s have taken a wide range of measures in the business strategy, in order to meet all levels of society and people of all ages, such as facilitates for young lovers as the “ Valentine’s corner” and “ Children’s Paradise”. And the staffs are dressed up as “ McDonald’s uncle, aunt,” and play with children. Many children are fond of the food of McDonald’s and they want to patronize McDonald’ as often as they can. Though many young lovers may do not like the food, they also want to go to “ McDonald’s, because the environment of “ McDonald’s is good (Ritzer, 1996). No matter McDonald’s marketing idea and McDonald’s business philosophy, are all established to attract more customers, and McDonald’s has more and more huge impact on eating habits of consumers.

When McDonald’s affect the eating habits of consumers, it also shock the culture of different countries. In the context of globalization, different cultures around the world communicate, permeate, collide and merge with each other. No strong cultural is not a real power. If countries want to become a power, they should prevent its own culture from cultural erosion. In the process of McDonald’s globalization, McDonald’s has a great impact on local culture, which may cause cultural erosion for residents. McDonald’s transforms its marketing strategies into pursuing cool, excitement, and adventure, which has a great attraction by the young family (Paul, 1997). Young family is lack of judgment ability, and McDonald’s culture may cause them making a mistake. The themes of “ cool”, “ on your own decision, “ playing my game” are very popular among young people, due to the influences of McDonald’s, and these themes may have a violation comparing with local culture. For example, as long as customers shout “ I’m lovein’ it” at the waiter, they will be able to receive a cylindrical ice cream. Such activities are very popular with aggressive young people. Some students think that these activities are very fresh and interesting. All these may affect the native culture to some extent.

Meanwhile, McDonald’s have an impact on the contemporary way of life. Many children like the food of McDonald’s and they want to patronize McDonald’ as often as they can. Some of them want to go to McDonald’s and eat its food everyday, and the food of McDonald’s becomes their main food. Nowadays, McDonald’s has become the symbol of fashion and adventure. Some young people regard going to McDonald’s as a fashion and adventure, which can demonstrate that they are the younger generation. In addition, McDonald’s supplies fast food for consumers, which may affect the pace of life. Consumers tend to eat food quickly, and change their previous dietary habits.

4, conclusion

Globalization has a great impact on human worldwide, and its impacts can be demonstrated from two aspects: positive impact and negative impact. Its positive impact refers to promoting the development of innovation, promoting the rational allocation of resources and boosting human civilization. Its negative impact focuses on instability of the world economy and global economic crisis. Generally speaking, globalization’s positive impact on human beings outweighs its negative impact. Human beings should seize the opportunities of globalization and salute its threats, in order to make a long-term development. Globalization can be understood well by the process of McDonald’s globalization (Featherstone, 1991). McDonald’s can bring enjoyment for consumers, while it also affects eating habits of consumers, causes cultural erosion and has an impact on contemporary way of life. Globalization is an irresistible trend, and Globalization can give a beneficial effects on consumers as well as adverse effects. So consumers should make full use of its beneficial effects and resist its adverse effects in the process of globalization.