

Impact of technology trials based on mcdonalds marketing essay



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In this essay it will be illustrated that impact of technology trials based on McDonalds innovation strategies. First of all, we will outline definition and aspects of fast food industry and then focus on technological improvements. Additionally we will introduce rfid technology and its adaptation process within all premises.

Fast food industry facilities or in designated eating areas shared with other Foodservice operators or other consumption of food and drinks for immediate consumption which is defined as the sale. Preparing period of service is as fast as Fast food its given name. As an upper road vehicles and portable buffet food and fast food restaurants today are sold in major venues for this type of food which is prepared and sold. In this service pack also has restaurant facilities, and it became the home of the largest possible majority. Nowadays, especially in the U. S. for better quality service and low-interest, high price and fast-food restaurants cost a little more quickly that are preferred by restaurants that have become comfortable.

Fast food is alleged bad food as the same meaning as used in the known. Hamburger fast food style food, low calorie high rate of nutritional value, polyunsaturated fatty acids, animal resources, excessive consumption, high blood pressure, osteoporosis and the risk of such diseases and obesity increased between the protective additives such as painting because it is considered as nutrition, contains a malicious form.

Food consumption of industrial units, which occurs when categorized restaurants visited by the total amount consumers. Multiple purchases during the same visit are counted as a transaction that is made.

Takeaways are described as: establishments that are typically 75% or more and where the income to buy food to their customers the fast food restaurant closed for consumption have freshly prepared meals.

The aim of this report of restaurants for all the Americas, Asia-Pacific and in countries like America and for sure it is spreading along Europe.

Since the fast-food location may change, so it opens up business opportunities there. Today, about 2.5 million workers in area of food preparation and food problems faced by franchisee which is now developing a workforce as big as the United States are employed in services such as fast food.

II. 1 - About McDonald's

McDonald's is today one of the world's largest restaurant chains with a trademark which in principle are all familiar. We have from being a small company started in the U. S. on 1940s expanded to now be found in principle over all the earth. Times have been changed - and so for a company like McDonalds. From that clean success of the machine, with continuous creation and corporate profits, the company McDonalds in the past decades faced new kinds of problems that have affected company's relations with the outside world negatively. While McDonald's is expanding successfully in Asia and Africa, it has the market in the United States have had difficulties as well as in Europe, which has poor performance in recent years. Concepts such as globalization and hegemony, has spread among more and more conscious Western consumers. Popular movements such as ATTAC and even

individuals such as journalist Naomi Klein, has been with books, magazine <https://assignbuster.com/impact-of-technology-trials-based-on-mcdonalds-marketing-essay/>

articles and lectures contributed to an increasingly greater resistance to such multinational companies and established brands. At hand, if this is also the health effects of too much fatty food attention in recent years. Obesity, particularly among children, has become a hot debate issue in the U. S. and in Europe. This has met with McDonald's strong opposition in the form of eg doctors, journalists and an anxious public. The latest battle against McDonald's came in the form of the documentary film " Super Size Me ". In which filmmaker Morgan Spurlock puts his body on an experiment consisting of the examination to eat all their meals at McDonalds for 30 days. The result is a significant weight gain and deterioration in blood and liver values. The question is how this new world has affected and will affect McDonalds strategy and image thinking.

II. 2 - Swot Analysis

Strengths

Successful advertisement strategies and spreading Brand name

Co-operation with Coca-Cola

Enjoyful environment and playgrounds for kids

Professional training system for the employees

Competitive advantage

Weaknesses

Weak product development

Management of franchisee

Opportunities

Internationalisation

Growing dining-out market

Threats

More health awareness of customer

Threat from domestic competitor in different countries

Global economic recession

Playing in a mature industry

II. 3 – Value Chain

Some companies such as McDonald's create a network for local businesses and the country's citizens prefer to grow as quickly as possible. As previously mentioned, information-based services, a place in the world through electronic channels can be generated and sent to another location for consumption. In fact, information technology services for such key factors as globalization occurs. Unlike physical goods, service, logistics and distribution, infrastructure and distribution after the time when place is no longer easy. In theory, a global company, via mail or telecommunications bills are sent to customers and they can also translate into about a global currency, and the central billing system integration is possible. Similarly, information, counseling, taking orders / reservations, problem solving and to pay most of the aspects, from the phone until the web page, can be done through

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telecommunications. As manufacturers, service companies also create a more efficient value chain for the possibility of using national differences in comparative advantage. Companies also can lower the cost of large fixed investment.

II. 4 – Supply Chain

Purchasing

Corporation, franchises and suppliers

Efficient approved facilities

Handshake agreement reliability

Long-term win cooperation and taking same risk

Strong good and service specification

Great focus on the products quality

Logistics

100 prepared items in the premises

400 stocks in the warehouse

Delivery frequency

2 stops per path

Efficient distributors

Long-term cooperation with service suppliers

Great quality focus

Challenges

Powerful focus on fresh good and its quality

Processing good innovations strategies

Great customer demand fluctuation that is determined by promotions

III. GLOBALIZATION

In 2006, the global fast food market grew by 4.8% and reached a value of 102.4 billion and a volume of 80.3 billion transactions. In India alone the fast food industry is growing by 40% a year McDonald's is located in 120 countries and on 6 continents and operates over 31,000 restaurants worldwide. On January 31, 1990 McDonald's opened a restaurant in Moscow, and broke opening day records for customers served. The Moscow restaurant is the busiest in the world. The largest McDonald's in the world is located in Beijing, People's Republic of China.

There are numerous other fast food restaurants located all over the world. Burger King has more than 11,100 restaurants in more than 65 countries. KFC is located in 25 countries. Subway is one of the fastest growing franchises in the world with approximately 31,129 restaurants in 90 countries as of May 2009 the first non-US location opening in December 1984 in Bahrain. Pizza Hut is located in 26 countries, with 100 locations in China. Taco Bell has 278 restaurants located in 12 countries besides the United States.

III. 1 - Innovation At McDonald's

McDonald's change plans for its 1250 restaurants by using technology in the UK fast food restaurants to lure more customers and cost savings throughout the enterprise is playing a vital role in driving operational efficiency.

McDonald's Corporation will change the restaurants, back in a few minutes and potato burger founder Ray KROC interest service uses technology to stay. In the company's efforts to improve technology moved. In the 1970s, for instance, burger chain, the industry's transition from the old computer to the point-of-sale systems, cash registers fashion can watch a large amount of data per second pioneered.

In the early 1990s, McDonald's first quick-service chain to contact the computer screen in front of the counter and took Drive-Thru easier to input orders for servers. Since then, the company's new wheels and self-test screen kiosks for customers to order touch-acre preserve that has been mixed, customer order centers, mobile POS devices and RFID.

There is no question on this technology which is very important for McDonald's costumers.

Nowadays about technology, this latest innovation for McDonald's Restaurants to obtain a competitive advantage which can be helpful, it is a word commonly used.

III. 2 – McDonald's Technology Trials

It has been appeared that during the network access point, which was not the Internet Protocol addresses for Web access must be active. Last few years, McDonald's technology trials has taken part. Year by year, the company made a different kind of technology investments with different results.

In addition to wireless trial, McDonald's, at the end of last year, looked to have their own internal networks to create a real-time project for a large variety of rack-service restaurant and buffet payment technology for clients.

And also, a series of initiatives was supported to technology. Kraft and Blockbuster, with other investors supported technology including an online take-out and distribution company behind the \$ 80 million to put the so-called partnership Food. com, now GeoComm Systems. Not That Ronald McDonald your office, take them for online orders allow for even for Big Mac was geared up by bringing movement is described as a marketing initiative.

Three months later Food. com investment, McDonald, has created an Internet business incubator eMac Digital, venture capitalist with Accel-KKR partnership called. Several high technology companies invest in eMac Digital: NewPOS International, sales developer; FSC, this office services, accounting and back provides Apigent Solutions, an application service provider for the existence of franchise services company paid points. Other McDonald's technology experiments could be lower key. Wireless payment systems in 2000, McDonald launched a series of case's. These systems are based on radio frequency identification (RFID) technology. McDonald's

customers or bank account information, credit cards and chips embedded in them is welding. Then, when, they just wave their card over in a store, “ which to identify customers and their credit card or bank account payments RFID readers to make a purchase. Visa says fast-food customers who pay with a card of 50% for more than 30% of spending.

Experiments at various stages, has ended without fanfare. “ This is to say what will happen in the future of technology, but difficult to assume where we would be interested,” McDonald’s spokeswoman Lisa says.

The company also has tested fingerprint-based payment system. McDonald’s customers credit or debit card information was scanned and prints was being made. Then, to make a purchase, customers also their statement against only one printer, scanner and pressed the thumb. Trial began in January 2002, but within a few months after customers did not like the idea of fingerprint for McDonald’s.

Time payment system while continuing lawsuits, McDonald’s plans to push out its wireless access service. It is now available to use at 10 McDonald’s in Manhattan. According to the company Web site is on for several hundred restaurants as “ within the next few months will provide better services.” Mats Lederhausen, McDonald’s business development chief at the opening ceremony of the service says, our customers relax, after offering a great way to unwire an Extra Value Meals and tips to keep up so perfectly logical that Mc Donald’s is easier to be said lead-mail. “ At least the marketing became spin. However, almost on the three-month trial period, McDonald’s customers and the program has done little improve.

McDonald's many services were not being logged. However, based on the number of people asking and McDonald's service within 42 restaurants. On the street, the total probability is low. But then, what is wrong with the network was not certain. A follow-up call that never came Cometa. An hour later, Extra Value Meals and connection time was consumed long ago the crowd was clearing out.

Finally, Mc Donald's old way to serve which is not as quick as possible, in order to have AOT crowded restaurant to order their own meals to customers who began using RFID technology. While numerous advantages of this technology was used by providing the SpeedPass system mentality seems to change the barcode system. Today, the most of the major problems are due to be arranged and there is a saving of important and valuable wasted time in this fast living conditions. At this point, Mc Donald, RFID in restaurants to avoid this mess is playing a major role by evaluating new technology for customers during the time. We summarize the process of explaining and testing this technology will give more information about this point. After the adoption process will be discussed with the use and payment size.

IV. WHAT IS RFID?

Automatic identification, to identify objects that provides verification a general name given to technology. Automatic data collection with automatic identification usually is defined. To identify which assets, to collect information about them collected and counted manually from these data in computer systems used to collect. The aim of automatic identification systems to increase productivity, reduce data-entry errors, personnel other

than manual counting process is used in a more remarkable job. Under the umbrella of automatic identification technologies are many. These are: bar codes, smart cards, voice recognition, some biometric technologies (retinal scans), optical character recognition and radio-frequency is defined.

FID tags equipped with microprocessor carrying on an object, these tags move with the motion tracking of the identity structure allowing working with radio frequency technology is the name given. Expansion of the word in English is RFID Radio Frequency Identification.

An old technology that RFID use, their music ranges from the Second World War years. However, high costs and the use of labels challenges, the RFID technology for a long time by companies that have been unusable.

RFID technology as the basis of the most critical components of RFID tags and RFID readers are. There are also printer, antenna, the system will use software to add.

An RFID tag chip, power supply and antenna consists of. A tag can communicate with RFID readers so that you can receive and transmit data.

Nowadays, quite falling price tag, especially in the years 2007-2008 in waves is seen as factors that will trigger the use of RFID. At the moment-to-many large retailers, particularly in the U. S., market chains and the military to use RFID technology effectively is working.

Affect and replaced by RFID technology, barcode technology is unique. The world very intensely used in the barcode by RFID has some disadvantages.

But after a while RFID will replace bar codes. For some tasks are efficient and cheap barcodes, but RFID and barcode labels will be there for many years seems to be still together.

IV. 1 - Advantages of RFID Technology

The main advantage of RFID systems that operate without contact with technology and does not require line of vision is characteristic. Labels, snow, ice, fog, paint, dirt, inside the box, the vehicle and stored in such a visual and environmental conditions can be read as compelling. RFID readers have a short response time 100ms and a lot (several hundred) tags can be read almost simultaneously. Sensors combined with product labels with very important information about the condition of floating. For example, frozen food temperatures are monitored, problem areas are detected and alarms are working.

RFID use in many different areas, and is realized when considering the above-described advantages associated with traditional information systems are taken into consideration, with many benefits of RFID can achieve will not be hard to tell.

RFID and the resulting benefits, the delivery time of the reduction in delivery time in advance of the determination, repeated on the reduction of (eg product control), labor and perform transactions with automation to occur as a result of the errors decrease and labor costs decline, production from the point of sale until the product detailed information obtained supply chain could create problems countermeasures can be taken, in the supply chain to change immediately, it can react, as a result of supply chain control and <https://assignbuster.com/impact-of-technology-trials-based-on-mcdonalds-marketing-essay/>

management effect, products warehouse and distribution areas of the settlement effectively perform the provision, for fire reduction products output / input for control of the reduction in product sales immediately identifying because of the shelf effective regulation, theft reduction, expiration date watch, product of unauthorized channels submission Blocking all that the number of benefits as a result of products for monitoring elapsed time of decline, customer service improvement, customers' buying behavior monitoring results target customers in determining the provided amenities and customer care to more time can be explained as the separation benefits described to occur as a result to be obtained with numerical values, many estimates and research are done.

IV. 3 - RFID Experiment in South Korea

McDonalds provides outstanding service in Korea, by enabling people to purchase their food via the mobile phones. This time rfid application is much more effective than earlier classical experience. Most of the time phone is used for communication purposes but this time they can have their meal after install the application.

“ In every table, there are RFID reader and the menus which built inside of the RFID chips. Consumers stick reader onto the mobile phones and choose them on an item on the menu which they would like to have” said in The Korea Times

“ They can pay your meal via mobile phones. As the meals are ready, people can have their meal after receiving short message from application that warns customer. Meal is ready as it is ordered.

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The McDonalds new experiment is fascinating, if for no other reason than it is demonstrating yet another way to deploy mobile commerce. Some use the phones calling capabilities and screen while others leverage the phones digital camera to do some 2D barcode-selling.

V. OPINION FROM KOREA (Customer's Feedback)

It is because first trial has been done in Korea we contacted with friend from Seoul who are used to popping up the McDonalds restaurant at least twice a week. Because, he used to live in London, as a foreign student. Student life made him fast food consumer. After asking about Rfid at McDonald's we just received quick response from our friend. Now we will copy his opinion as it is:

" It was really stunning when I first came across that miracle. I just got my job and we have always short break to have our lunch. Every time I go to Mc I have to wait at least 15 minutes.

Almost entire street crams in Mc during break time. Because there are so many business centre on the street.

And once I saw that my friend just touched his phone to reader and got his meal. I was absolutely surprised. I downloaded rfid program to my mobile phone as soon as I saw about it.

Now my nightmare breaks turn out the joyful times because I can choose my meal an drink before I get restaurant. what a dream for me.

And I realized there were more people using the program. Even I had been talking about this game all the time at work.

I can say that especially this program changed the world for people who like eat fast food.”

As we can clearly see that, rfid makes his world more entertaining. This is how technology make people feel better and life easier.

VI. CONCLUSION

As a summary, it can be simply said that managers at McDonald's are aware of importance of technology that put them one step ahead in industry.

Throughout years, so many results of innovation has been adopted that we already widely mentioned in this essay. And lastly, RFID technology has been, most attention grabbing one that satisfies what fast food industry needs in 21st century.

Initially, trial process determines the way in which evaluation strategy starts to appear. And this process gives company an idea about how new technologies effect performance on sales. Therefore restaurants in Korea were chosen and people have not even struggled to adapt the technology while they are keen on that sort of differences.

Receiving satisfying results made managers decide on payment strategy in order to run this program smoothly. By this thought, American express was suitable for company to proceed the process.

To conclude my ideas, it would not be surprising to see miracle solutions by technology in McDonalds which makes our worlds more colourful and enjoyable while having meal.

Day by day, technology makes its existence feel in our all part of life and McDonalds is obviously one of those examples. By other words, companies are being forced by technology to serve consumers for better. Technology makes it possible for people to gain control over everything, except over technology. – John Tudor

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