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McDonald Company

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‘McDonald Company’

Executive summary

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Introduction

The McDonald firm is one of the most prominent fast-food chains around the world. The corporation's capable management, together with its global expansion strategies, gives it a continued opportunity to start new branches and keep getting a portion of the foreign fast-food market. The management in McDonald Corporation trust that individuals are the most significant cherished resources in their company. To them, the people play an active part in the success of the giant fast-food company. The company seeks to attain the satisfaction of its people and customers. The company adopts strategies that will address issues in its external business environment in the world. This report shows the success and challenges that McDonald Company faces in its struggle to be an outstanding restaurant in the world.

Background information

Before setting any new branch, the company considers political, economic, ecological, technological, and legal factors to ensure they do not make compromises. McDonald Company adopts different strategies to maximize the advantages of opportunities in the available Market (Roberta, 2018). The approach that McDonald Company assumes helps it in addressing the external factors in the environment of the company. Other companies in the market are competing with McDonald's company, and therefore the latter should be on its toes on responding to the needs in the market. In a bid to be at pace with the changes occurring in the organizational environment, McDonald's company should take advantage of the available market.

Menu options in regions

The menu in McDonald Company varies depending on the locals' preferences. In the 1960s, the company presented fast and low priced menus to accommodate women becoming part of the workforce and the growing teenage population. The company³ in the 1970s and the 1980s joined the trend by taking the American mode of life to various nations across the globe (Roberta, 2018). The company has enhanced its company image by presenting a fast and appropriate strategy by regulating the product listing grounded on the food industry trends. The company renovated the restaurants to get a united, modern environment that creates a dining look and feel (Rajawat et al., 2020). The establishment adopted a natural and healthier element concept by adding vegetables and fruits to their menu.

The company adapts to the taste of every culture, and this enables it to be more competitive. In China, McDonald Company has 2700 outlets, where it has modified the local tastes and preferences of the locals (Roberta, 2018). The locals in China prefer meat from chicken thighs, and through the adoption of this strategy, the company remains outstanding. The company is key to the adaption strategy where it goes by the customers' needs as the cultures in the specific countries require. Through the plan, the company achieves a significant level of communication and production costs.

Political impacts

Government engagements, together with policies, have a macro-environment effect in the McDonald's and the economy as a whole. The influences from any regime define the proportion and the path of the business's advancement. There are growing international trade agreements which to the company is an opportunity to continue growing. The company uses the chance to

expand its multistate enterprises based on enhanced international trade, which develops supply chains (Roberta, 2018). Factors like governmental directives for diet and health pose a challenge and, at the same time, an opportunity for the company. There are some cases where it has been found that McDonald's products affect the health of the consumers. At the same time, the health aspect brings a chance for the company to improve its products. The changing public health policies have threatening effects on the company (Nguyen et al., 2016). The government's changes in the health policy make the company get an opportunity to adopt healthy options like salads. The policy also threatens the company because, in some cases, public schools provide food for its people.

Other influences

Social, cultural factors

The social trends in a specific location matter in supporting the McDonalds Company. The increase in disposable incomes creates an opportunity for the company to thrive. Customers' desire to buy fast foods rather than cooking at home increases profits (Roberta, 2018). The changes in lifestyle for people in urban centers create a business opportunity for McDonald's. Cultural diversity is a significant threat to every business and, at the same time, creates an opportunity for the company. The external sociocultural influence builds a diverse set for the preferences that consumers have founded on various residential and regional markets, which McDonald has to account for in its product improvement. The increase in business automation creates an opportunity for the company (Rajawat et al., 2020). The rising legal minimum wages pose a threat to the company in particular areas, leading to higher costs and prices.

Economic factors

McDonald's organization takes advantage of the stable growing but slow economic growth of developed nations and enhances its restaurant's stability. The market in the United States is one of the most significant contributors to the revenues of the organization (Roberta, 2018). The corporation also assists in the development and stable recovery of the European markets. The Chinese market has encountered slow growth, although it is also a significant contributor to McDonald's revenue, and this is a threat to the company (Roberta, 2018). The corporation has the chance to progress through development in growth enhancement of markets like in Asia. The external economic factors principally offer business growth opportunities.

Environments in the new market

The natural environment in an organization plays a great impact. The growing corporate environment program's interest enhances sustainable business practices. The changes in climatic conditions in particular regions threaten the company (Roberta, 2018). The availability of food in the area should be a factor for the corporation because it influences the company's supply chain. McDonald's should consider the ecological factors which underline the corporate social responsibility opportunities. The company should consider diversity for its chain of supply to address the impacts of climatic condition variations. The company should close on weekends or prepare vegetable products to avoid going losses because, by the end of the day, no one would purchase the meat products in a region where people do not eat meat on weekends. It should embrace the culture that exists in the particular areas where its companies are based.

The company should adopt environmental friendliness to create a positive reputation. It should follow the local as well as the country's policies in its operations. Providing various donations to local organizations would build their reputations (Roberta, 2018). In this way, the

company will attract customers to eat in its restaurants because such is a sufficient incentive that is vital in spreading the name. In India, for example, the company offers financial support.

Conclusion

McDonald's needs to enhance its diet and health together with the changes in the public health policy for it to improve the menu of the company. The focus of improving the menu of the organization is to make its items healthful. Considering the preferences of each region will continue making the organization outstanding. Cultural diversity consideration will make the company accommodate each of the locals' needs. When locating a new area abiding by the set regulations will help the organization thrive. The threat changes that exist due to climate changes in particular regions can be overcome through diversification. McDonald's firm has various organizational opportunities that assist it in its growth. The expansion of the industry through the creation of different outlets across the country makes the company keep growing. Consideration of the corporate social responsibility plans will augment the firm's status. The company's strategic focus should be the enhancement of the environmental impacts of the organization while solidifying the perception of the brand and consumer regarding the industry.

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