**CASE STUDY**

**Read the case and answer the questions given below:**

McDonald’s early decisions to market tasty but fat- and salt-laden fast foods created immediate satisfaction for customers as well as sales and profits for the company. However, critics assert that McDonald’s and other fast-food chains contributed to a longer-term national obesity epidemic, damaging consumer health and burdening the national health system. In turn, many consumers began looking for healthier eating options, causing a slump in the sales and profits of the fast-food industry. Beyond issues of ethical behavior and social welfare, McDonald’s was also criticized for the sizable environmental footprint of its vast global operations, everything from wasteful packaging and solid waste creation to inefficient energy use in its stores. Thus, McDonald’s strategy was not sustainable in the long run in terms of either consumer or company benefit.

McDonald’s has responded to these challenges with a more sustainable strategy of diversifying into salads, fruits, grilled chicken, low-fat milk, and other healthy fare. The company has also sponsored major education campaigns— such as one called “it’s what i eat and what i do . . . i’m lovin’ it”—to help consumers better understand the keys to living balanced, active lifestyles. And it has announced a list of “Commitments to Offer Improved Nutrition Choices,” including a continuing commitment to children’s well-being, expanded and improved nutritionally balanced menu choices, and increased consumer and employee access to nutrition information. McDonald’s points out that 80 percent of the items on its national menu fall into its “favorites under 400 calories” category—from a basic cheeseburger to products such as Fruit & Maple Oatmeal and the Egg White Delight McMuffin, made with eight grams of whole grain, 100 percent egg whites, and extra-lean Canadian bacon.

McDonald’s sustainability initiatives also address environmental issues. For example, it calls for food-supply sustainability, reduced and environmentally sustainable packaging, reuse and recycling, and more responsible store designs. McDonald’s has even developed an environmental scorecard that rates its suppliers’ performance in areas such as water use, energy use, and solid waste management. Thus, McDonald’s is now well positioned for a sustainably profitable future.

* **What helped McDonald’s the most in managing environmental issues?**
* **If you were a manager of McDonalds, how would you have tackled the criticism faced by McDonalds?**