

MCDONALD'S CASE STUDY

ANSWER KEY

Question 1: Micro factors: we can identify these following factors with obvious evidences in the case.

Factors	Evidence	Link with SWOT analysis
Customers – Consumer market (Baby boomers and Gen Y): Consumers nowadays are more demanding. They prefer “healthier, fresher and higher quality” food. They like being able to personalize everything.	First few paragraphs of the case (page 1)	This could be a threat or opportunity for McDonald's
Competitors: competitors are now diversified and try to offer better things than McDonald's can do.	Panera Bread and Chipotle, Taco Bell, Subway, gourmet burger brands, et. (page 1 and page 2)	This is definitely a threat to McDonald's
Suppliers – this is the point of differentiation by McDonald's	“McDonald's claims to work with the “best suppliers in the world”, with a key focus on using locally sourced produce within each of their markets as much as possible. “Supplier stories”	This is a strength that McDonald's has and could be an advantage for the firm.
Publics – Consumer publics, public lobby, activist groups	“The anti-sentiment towards McDonald's also comes from consumer publics who are part of anti-globalization movement. The concerns of these groups relate to the implications of global businesses such as McDonald's focusing on profit maximization and not adequately considering the broader social and economic implications of their operations through exploiting aspects such as work safety conditions and standards, labor hiring and compensation standards and environmental conservation principles”	This is definitely a Threat to McDonald's

Question 2: Macro forces: we can identify these following forces with obvious evidences in the case.

Forces	Evidence	Link with SWOT analysis
Demographics – Baby Boomers vs Gen Y – Their changes in characteristics and consumption behaviours	First few paragraphs of this case. “the number of U.S consumers age from 19 to 21 that ate at McDonald’s at least once a month was down 13%”	
Technology – technology changes the way customers and companies interact or make transactions	“Add in the undeniable fact that the generation that came of age with the iPhone demands that companies use technology to make their lives easier and more comfortable”. “Customers place orders using a tablet, their mobile phone or a touch screen kiosk”.	This Technology force could be an Opportunity for McDonald’s. Once they successfully launched the technology-related features at their restaurants, it can become their Strengths.
Culture – different countries have different dining habit. McDonald’s has to adjust their menus and offerings to suit with those cultures in specific.	“Tsukimi Burger from Japan (egg and burger patties topped with bacon and creamy tomato sauce) and the McMorning that’s sold in Croatia (pork, bacon, potatoes, and cheese on a torpedo roll)”	This could be both a threat and opportunity for McDonald’s at the same time.
Natural – Somehow McDonald’s responded to the natural environmental issues.	Although it is not very clear in this case, there is a detail that could link to Natural force. “a McDonald’s worker delivers it on a trendy, wooden board, with the fries in a shiny metal basket rather than everything in tired old packaging and on old plastic trays”.	This could be both a threat and opportunity for McDonald’s at the same time.