

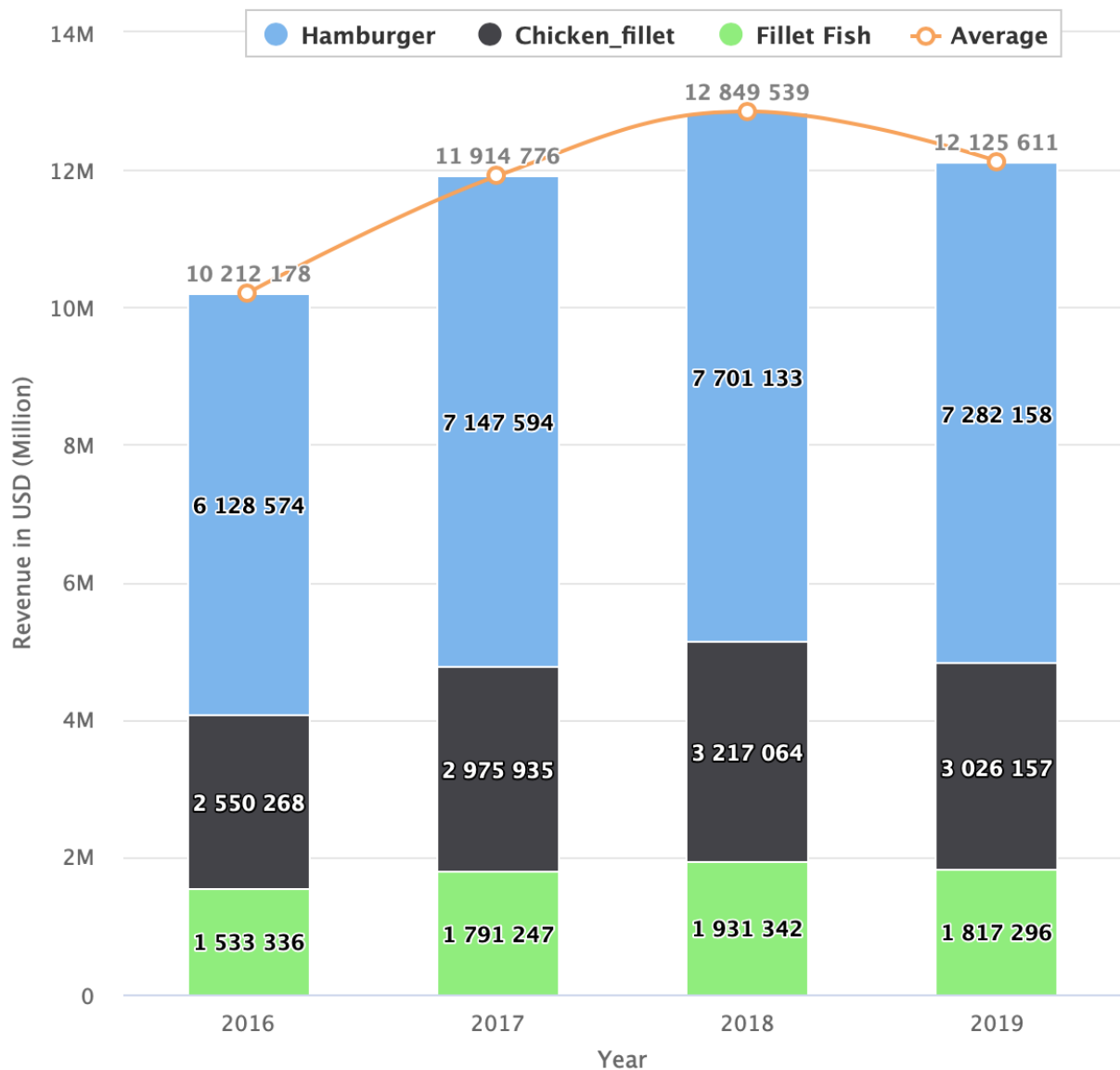
# MCdonald's Revenue Report

## Impossible burger impact

Hey Boss! Hope you're having a good time on your Yacht, i mean work. You wanted me to figure out if the new impossible burger made an impact on our revenue. Well the simple answer is - **Yes** Our sales have taken a big hit since the launch of new impossible burger. Let me show you how the impossible burger has impacted our revenue

Let's take a look at the average revenue of each month by year. I'm computing total average monthly sales for each month instead of the sum of their sum since I don't have the complete data for 2019. There was a **15%** in 2017's revenue and **5%** increase in 2018, taking the revenue up to **\$12.8 million**. But this upward trend of increasing revenue didn't occur for 2019, as revenue dropped by **2%** decreasing it to **\$12.1 million**.

## Average Monthly total revenue by Year, 2016–2019



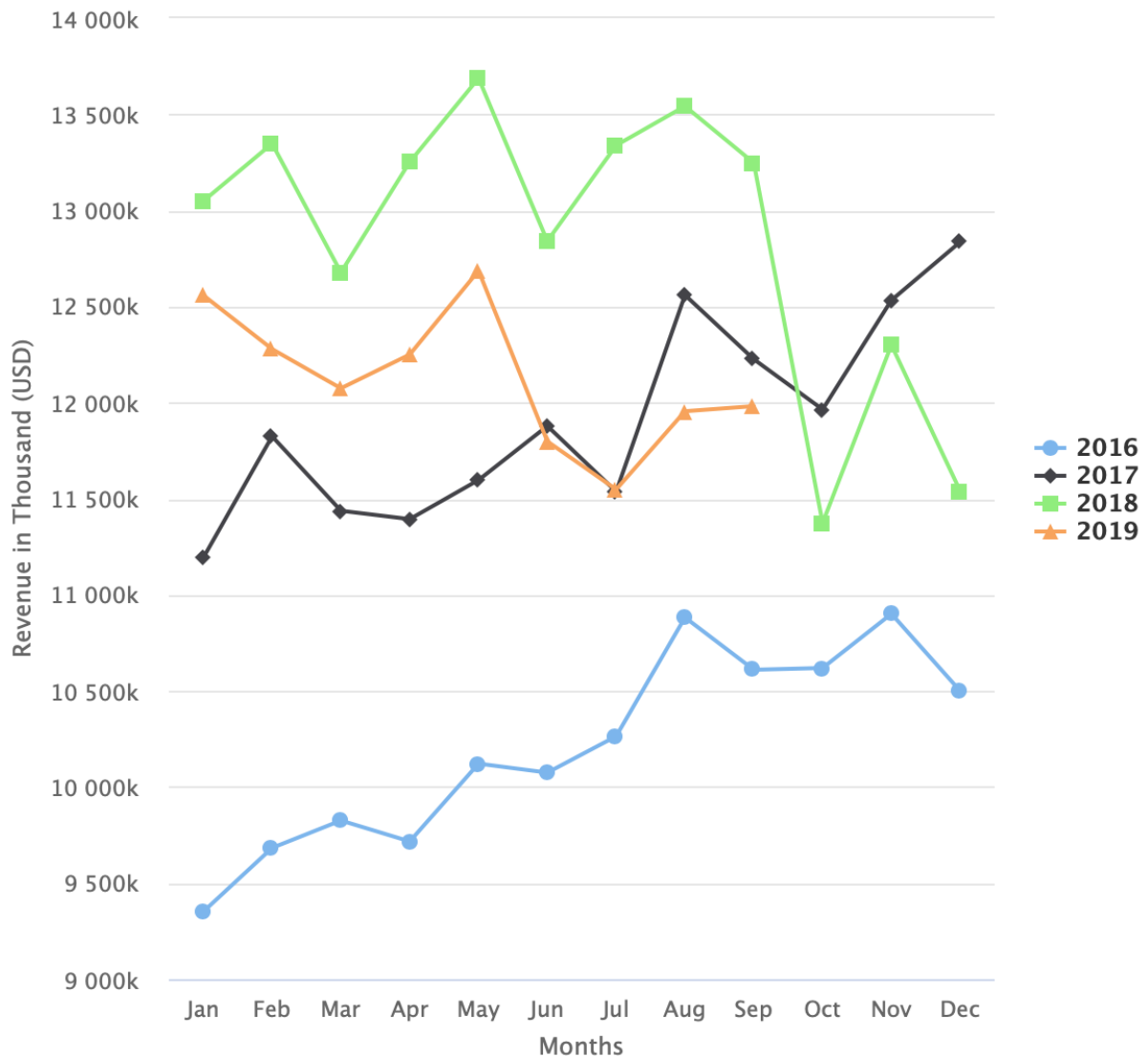
Highcharts.com

Taking a look at the chart below, we see the revenue for each month increases with the year. For year 2016 and 2017, we notice a positive slope for revenue from January to December. The revenue slightly dips beginning of every year in January. This can be explained by people switching to a healthier diet as a *new year resolution*

In 2018, we notice a **14%** drop in revenue from the month September to October. This is the largest revenue drop we've experienced in the company's history. This drop occurred at the same time the Impossible burger meaning a lot of people made a switch to Burger King.

## Change in revenue by month

Revenue per month by year, 2016–2018

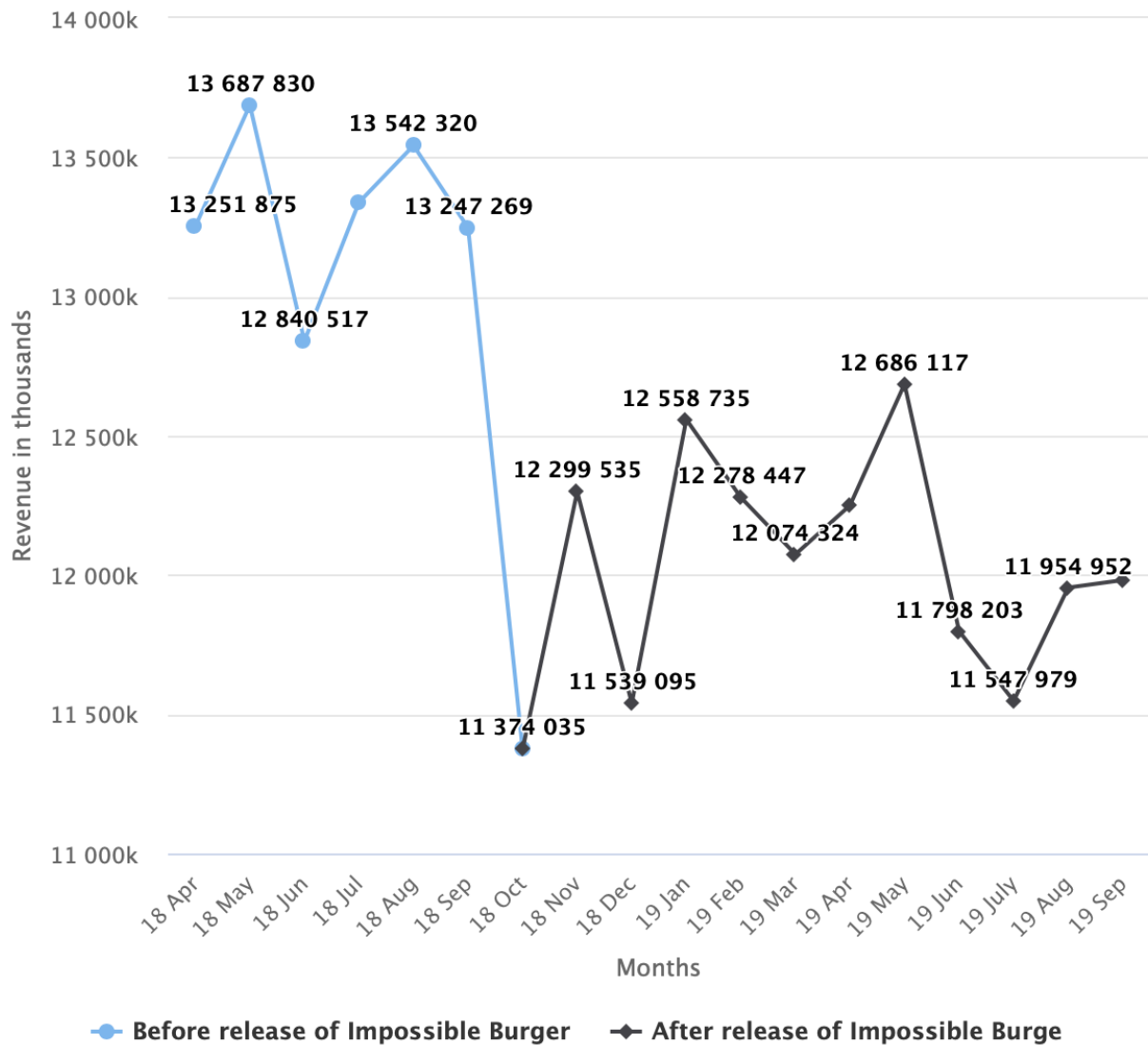


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Let's take a closer look on how revenue got impacted by the impossible burger. We see that up till October 2018, the months have a revenue of around \$13 million on average. When the impossible burger were released there was a big drop in revenue. Impossible burger just didn't affect Octobers revenue but also all months after it. Revenue in all months of 2019 was lower than the revenue of those in 2018.

## Impact of impossible burger on Monthly revenue

Total revenue by month, Apr 18 – 19 Sep

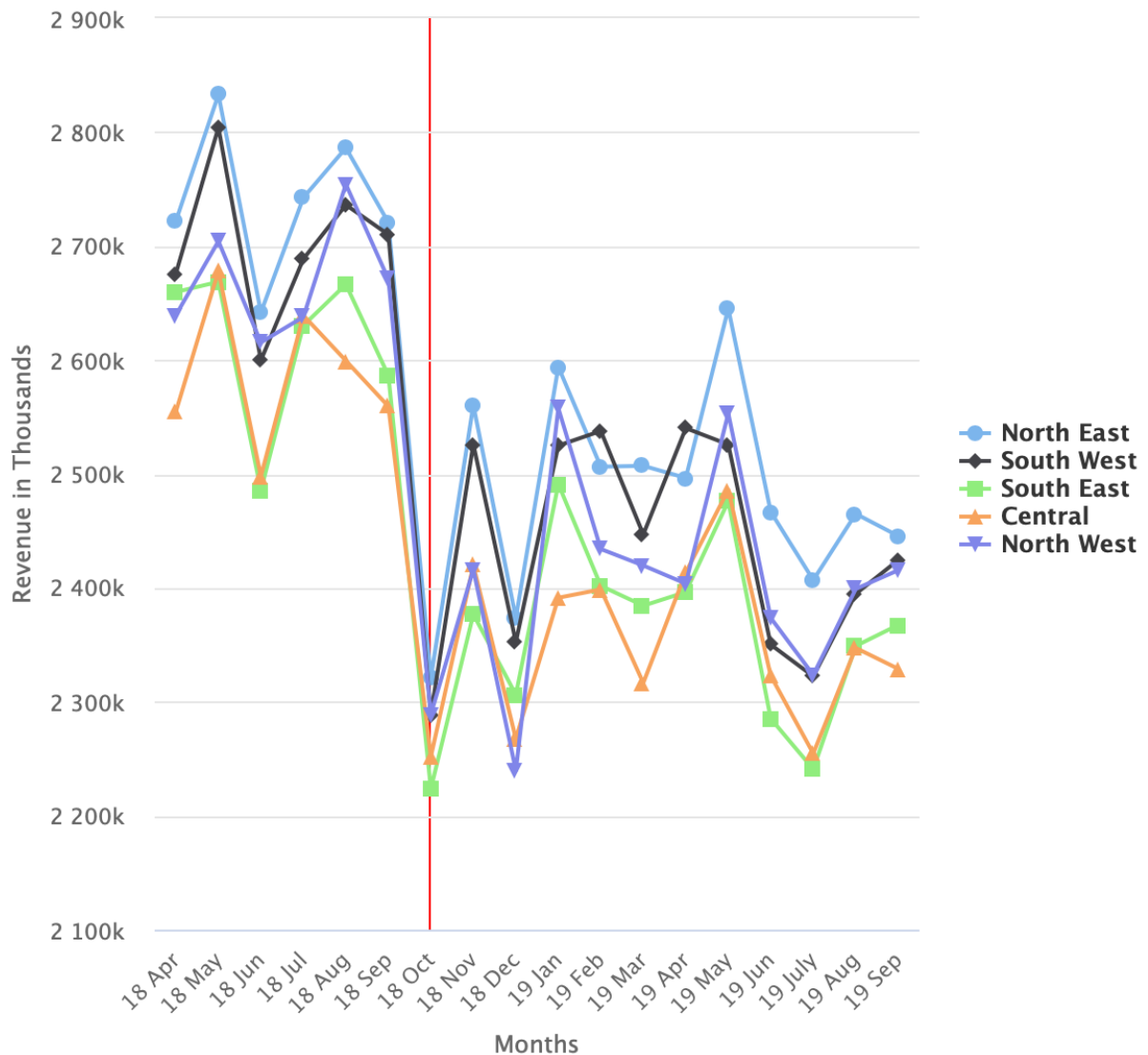


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Looking at the revenue for different regions after the impossible burger was released, we see that all regions took a hit and their revenue went down significantly.

## Impact of impossible burger by region

Monthly revenue by region, Apr 2018– Sep 2019



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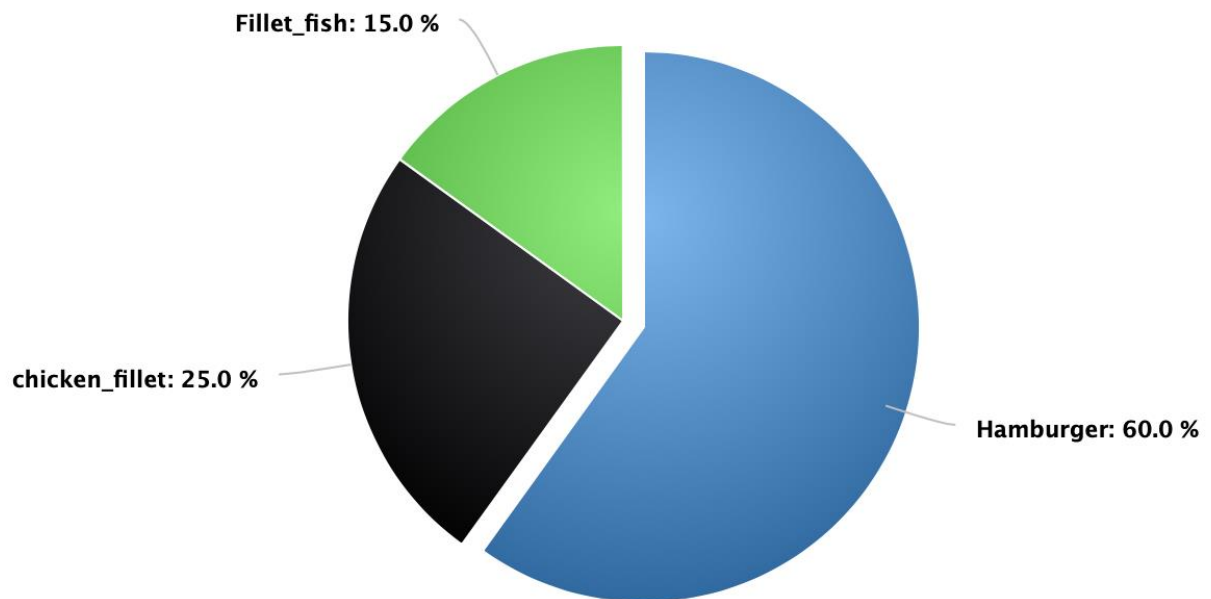
### Result

McDonald's revenue took a big hit after the impossible burger hit the market. People are now more willing to switch for vegan options. As of 2019, **3.4%** of the US population is Vegan and we need to tap that market. I suggest that the company should invest its money into developing its own impossible burger. It should also invest in a healthier food menu so we can target all the newly converted health freaks in the month of January every year.

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Looking at the share of each type of burger, Hamburger wins by a huge majority. With 60% share, most of our revenue comes from the sales of these hamburgers.

## Menu Items Market share, 2019



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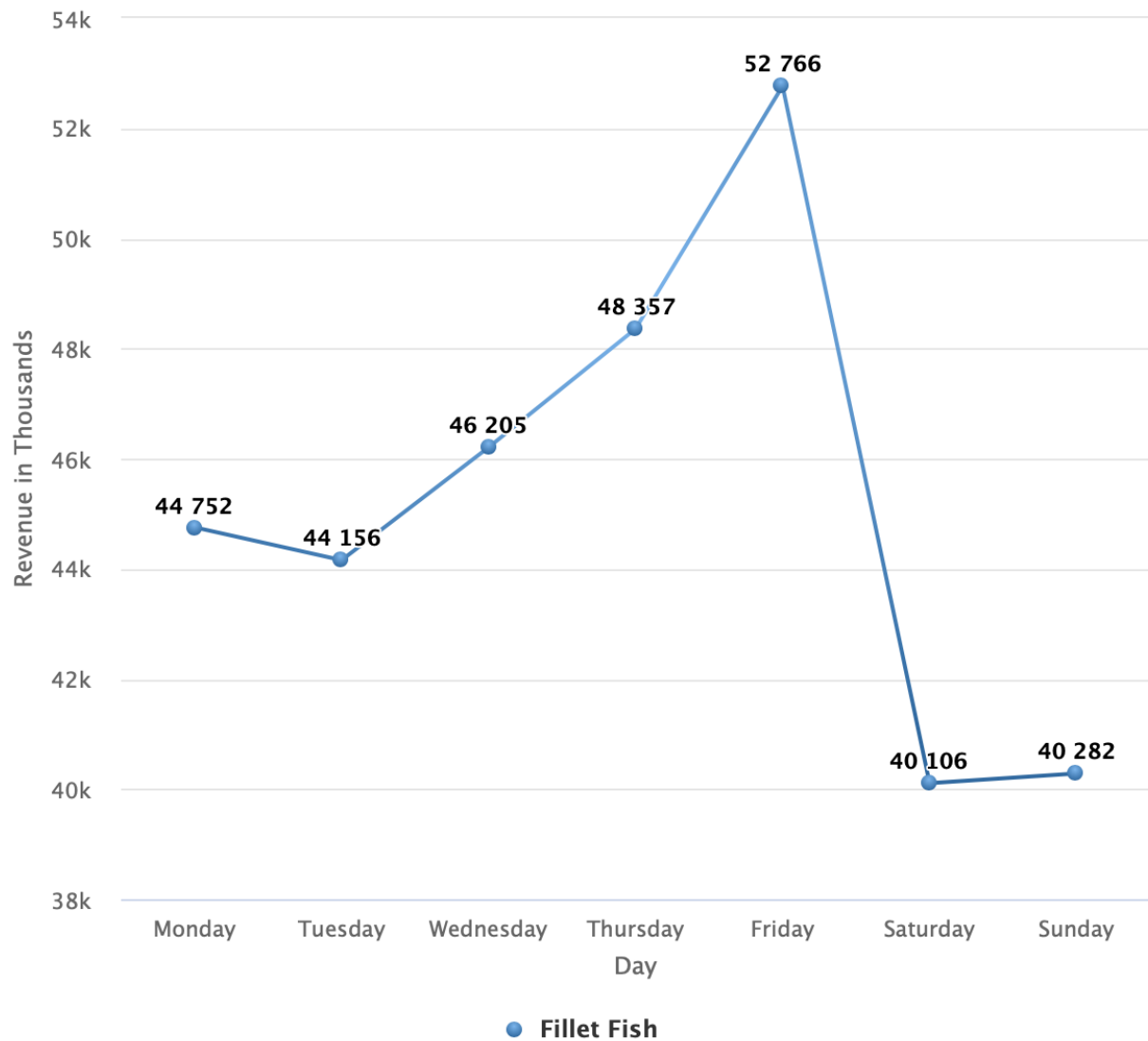
### Micro Trends

I was also given the revenue for each day in the month of January 2016. All the insights and trends I get from this data is only valid if the consumer purchases the same way on weekdays as they did in 2016

I noticed that average Fillet Fish sales were particularly high for Fridays. After plotting it on a chart it confirmed that Friday had the highest sales for fillet fish. This is can be explained as a large number of people go out Friday night and eat at fast food restaurants like McDonalds. Weekends had the lowest revenue as its a holiday and most people eat at home.

## Highest revenue day for fillet fish

Average revenue by day for Fillet Fish, Jan 2016



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South West, South East and Central regions interact the same way as Fillet Fish where the highest average revenue is on a Friday while the lowest revenue days are the weekends, Saturday and Sunday

## Highest revenue day by region

Average revenue per day by region, 2016 Jan

