

teaching note

Summary

This case study deals with an analytical review of the menu adaptations undertaken by McDonald's in selected countries. Special menu items offered by McDonald's in India, China, Japan, Saudi Arabia, Germany, Malaysia, France, Australia, Russia, Brazil, Guatemala, and South Africa are reviewed. The focus is on how adaptations were made to menu items considering socio-cultural, religious, food preferences and environmental conditions within each country. It shows the complex factors related to menu items that need to be considered before finalizing menu offerings in a country. It is a classic example of how a global corporation flourishes by using "glocalization."

Teaching Objectives

The points of learning and discussions are (a) to realize the importance of socio-cultural, religious, food preferences, and environmental factors in entering foreign markets, (b) to understand the complex nature of factors that can impact the selection of menu items, (c) to appreciate the diversity among different nationalities, (d) to adapt menu to suit different tastes and preferences yet preserving the brand image, (e) to realize that the impacting factors vary from country to country even within the region and (f) to develop strategies based on local competition and markets. All these aspects lead to discussions that can broaden the scope of learners to understand the rapid growth of globalization.

The target audience for this case can be undergraduates, graduates, or industry professionals. Also one of the important aspects of this case study is that it can be used for and by international audience. The intensity of discussions and follow-up studies can be adjusted to the pace of the audience as well as the subject(s) under study. There are a variety of subject areas for which this case study may be used. The following list provide the subject areas for which it can be used and areas that can be explored.

1. Global/International Studies/ International Marketing

- Points to consider in global expansion
- Socio-cultural factors
- Religious considerations
- Environmental factors
- Legal aspects

2. Operations

- Points to consider in menu planning
- Legal requirements for ingredient use
- Most appropriate adaptation
- Alignment with menu offerings
- Considering the brand image

3. Franchising

- Impacts of global expansions
- Mode of franchising
- Factors to consider in global expansion
- Best possible entry mode
- Franchisee/franchisor/customer relationship

4. Marketing;

- Developing marketing strategy
- Brand image management
- Marketing plan development
- Marketing research
- Target markets

Teaching Approach and Strategy

It is recommended that more than one of the areas, if not all, should be considered in the use of this case study. It is based on a current situation and should be effective in starting an active discussion and learning experience. It can be used both for undergraduate and postgraduate studies. The level of involvement and discussion will be based on the type of audience. Some points for discussion and connection to the theories are listed below as examples.

1. Global/International Studies/ International Marketing:

With so much emphasis on globalization, the discussion can be geared towards an understanding of all the factors that should be considered. Differences between different nationalities and the complexities which vary from country to country can be discussed. Major points that should be considered for global marketing success should be identified. Each factors such as socio-cultural, religious, food preferences, and environmental can itself lead to a very productive discussion. The maximum benefit can be achieved by conducting a comparative study. Since McDonald's is present internationally it serves as a good point of discussion, particularly for international audience.

2. Operations:

This case study is filled with examples of menu selections and adaptations. It will provide a good learning experience for those who are involved in operations. It indirectly emphasizes on the need to first evaluate and then adjust to the needs and wants of the target market. It also helps in understanding the reasons behind menu adaptations. Even the examples of menu items adapted in different countries should serve as motivation only for discussion but for practical applications. There are ample ideas for menu development for domestic or international use. The core of the discussion can be focused on the need for careful alignment of the menu items with the legal, religious, social, economic, and other impacting factors.

3. Franchising:

Since McDonald's primary mode of expansion is by franchising, this case study can serve as an excellent example showing the success and drawbacks of franchising. There are several points that are highlighted in the case study which can lead to intensive discussion. The impacts of global expansion and the best possible mode for foreign entry can be evaluated. The success of franchising depends on what is offered to customers and this case study shows what factors need to be considered in different countries. Other countries and potential markets not included in this case study can be included in discussions.

4. Marketing:

This case study can also be effectively used in marketing studies. McDonald's being one of the major corporations expanding worldwide can be a good case for comparative studies. One of the factors that can be discussed using this case study is the importance of brand image and its protection while simultaneously adapting to local preferences and tastes. Assessing the needs of the target markets become an important aspect. A comparative assessment of marketing in different countries can be a follow-up study or discussion. Other topics for discussion can be based on marketing strategy, market segmentation, marketing plans, and new product development.

explore factors that need consideration. With available information technology and social media, the case study can be supplemented by a variety of examples.

5. It can be given as a class assignment to explore the positive and negative impact of glocalization considering social, political, cultural, economic, and environmental factors. This essentially broadens the scope and utility of this case study.

Discussion Questions

- People in other countries would like to taste American foods, do you think restaurants like McDonald's should even consider menu adaptations?
- What other factors are important that should be considered by restaurants planning to enter foreign markets?
- Discuss the importance of socio-cultural factors for being successful in foreign markets.
- Considering the rapidly growing globalization, giving examples of countries that are not listed in this case study, discuss some other factors that need consideration.
- Do you consider McDonald's actions will lead to standardization of menus worldwide and will cannibalize special culinary delights offered by other countries?
- How can local business compete with rapidly developing foreign franchise businesses?
- What are some countries where it will be impossible to succeed without menu modifications?
- Discuss pros and cons of glocalization.
- What are other potential markets and how different are factors that need consideration?
- Find applications of the adapted menu items in other countries where they can be readily accepted.
- Discuss if the adapted menu items can be introduced in the United States. Justify your answer by examples.

Teaching Approaches

The presentation of this case study can be supplemented by a PowerPoint presentation of different menu items. A selection of PowerPoint slides is included in these teaching notes. The visual impact of this case study can have a profound effect realizing how menu items look different as well as resemble McDonald's standard menu items. Similarly videos can be used effectively. In short, this case study can be used in different ways depending on the audience. Some of the ways in which it can be used are listed below with the intent of giving some ideas for further expansion.

1. It can be used as a supplementary class teaching tool or can be given as an examination question for response.
2. If used as class teaching tool it can be used for (a) group discussion by assigning it to a group of students who will present it to initiate class discussion; and (b) asking groups to study and present adaptations by countries which are not included in this case study.
3. It can also be used as a role playing or simulation exercise. This can be done by dividing the audience into groups representing different countries and regions. Each group can present important factors that should be considered for entry as well as providing supporting arguments for their conclusions.
4. It can be used as a research assignment for students to further

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