• **D/ Opportunities:**

  **Increasing demand for healthier food.** As a demand for healthy food increases significantly, McDonald’s could produce more alternatives healthier choice in their menu such as fresh burger or vegetable dessert. Change of human lifestyle; people consume more fast food products. This is a great opportunity for McDonald’s to increases revenue.

  **Globalization, expansion in other countries** McDonalds has more than 31,000 restaurants serving in almost 120 countries. Of the 31,000 restaurants, at least 14,000 are in US. China and India are 2 of the most potential market in the world so that it’s a good opportunity for McDonald’s to expand their brand at these 2 markets.

  **Low cost menu is preferred by large number of customers** McDonald’s can attract low income people by applying Extra value meals menu in the period of economic struggle. This is a potential market segment which can bring huge profit to McDonald’s.

• **Appearance of freebies and discounts**

• **Diverse tastes and needs of customers** Customer’s tastes is becoming more diverse. As a result, they want new menu and service in order to satisfy them. McDonalds with new menu and service such as McCafé can attract huge number of customers.
Opportunity
1. Introduce home delivery
2. Open new branches and outlets.
3. Advertise more.
4. Product improvement, tailoring it as per tastes of people around the world.

Threats
1. Threat from other eating joints/restaurants
2. Health concerns among general public.
3. Food costs are rising higher than standard inflation.
• The SPACE Matrix analysis functions upon 2 internal and 2 External Strategic dimensions. It based on 4 areas of analysis:
• Internal strategic dimensions:
  • Financial strength (FS) range from +1 to +6
  • Competitive advantage (CA) can range from -1 to -6
• External strategic dimensions:
  • Environmental stability (ES) values can take -1 to -6
  • Industry Strength (IS) values can take +1 to +6
• Rating each factor and take average score of ES and FS as Y point and CA and IS as X point
• FS of McDonalds is high rating because of strong financial competitive advantages
• Competitive advantage is average based on the CPM matrix we analyze before
• Environmental stability and Industry Strength are also about average because fast-food industry is slightly increase or may be remain in these recent years. The external factor affect to the company also quite high.