

HISTORY OF MCDONALDS

McDonalds is the world famous fast food restaurant. The idea of McDonald's was introduced by two brothers Mac (Maurice) and Dick (Richard) McDonalds in California. Their father Patrick McDonalds in 1937 was having a hot dog cottage called as Airdrome restaurant near the airport. In 1940 the restaurant was renamed as McDonald's Famous Barbeque. In 1940 both brothers came to a conclusion that most of their profit comes from selling hamburger so they made their menu very simple by selling only Hamburger, cheeseburger, soft drinks French fries and apple pie. In 1954 a turning point came in McDonald's brother history. Ray Kroc a seller of Multimixer milkshake visited McDonald and he liked the idea of McDonald. McDonalds corporation was built in those times and as a result Kroc started expanding their business by opening franchises for McDonalds. In 1965 McDonald corporation went public. In 1968 McDonald opened its 1000th restaurant. In 1974 McDonalds started their business in UK and New Zealand. In 1980 McDonalds was facing very big competition from its rival Burger King and Wendy but McDonald with its innovation was experiencing a boost in its sales. In early and mid-nineties McDonald's was having a decline in their sales and as a result they started improving their business. Taste was improved and some new menu items were introduced. McDonald introduced first Kosher McDonalds in Jerusalem and Halal McDonald's in India (1995 and 1996 respectively). McDonald started creating a healthy image and invested heavily on refurbishment in 2000's. Today McDonald's has more than 33000 outlets and is operating in 125 countries. It is the world leading brand in fast food. McDonalds started their business in India in 1996. They started their business in India's capital New Delhi. They chose a busy residential area Vasant Vihar. McDonald India is a 50-50 partnership between McDonalds USA corporation and Two Indians (Amit Jaita Hardcastle Restaurant Ltd Mumbai and Vikram Bakshi Connaught Plaza Restaurant Delhi). McDonalds as of now has 210 stores in India. Majority of Indians are Hindu and cows are sacred to them. For McDonalds to sell beef was almost impossible. The second majority population is Muslim and they eat Halal food. It was a big challenge for McDonald's as there were many protests against McDonalds. So McDonalds changed their menu according to local community for example they introduced Maharaja Mac instead of Big Mac. Their menu is full of some spicy products as we know that Indians use spice in their dishes in abundance. About 75 % of the menu of McDonald's has been Indianite and specially designed to woo Indians. McDonald's passed through some tough times but eventually managed to survive in that different culture and different religious belief. McDonald by now has a big presence in India and are trying to extend this ahead. Overall McDonalds serve more than 47 million customers every day.

PROBLEMS OF MCDONALD'S



In the past, stock ordering was the responsibility of individual restaurant managers. They ordered stock using their local knowledge, as well as data on what the store sold the previous day, week and month.

For example, if last week's sales figures showed they sold 100 units of coffee and net sales were rising at 10%, they would expect to sell 110 units this week.

However, this was a simple method and involved no calculations to take account of factors such as national promotions or school holidays. It took up a lot of the Restaurant Manager's time, leaving them less time to concentrate on delivering quality food, service and cleanliness in the restaurants.

pickles, onions, sauce and a small amount of seasoning. The restaurant will only combine these items just before the customer orders them so the Big Macs are hot and fresh when served.

Finished products

Finished products are goods that are ready for immediate sale to a customer. At any one time, a restaurant will have a range of products ready for sale. Many of these will include finished products like Filet-o-Fish, Big Macs and side salads.

Using stock

At McDonald's, all raw materials, work-in-progress and finished products are handled on a First In, First Out (FIFO) basis. This means raw materials are used in the order they are received. Therefore stock is always fresh because products are sold in the order they are made. If the process First In, Last Out (FILO) was used, then the finished product would be dry and unappealing because the first one prepared is the last one sold.

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Page 10 of 20