

CASE 10-1 McDonaldization

Some managers of McDonald's, buoyed by the success in Asia and Moscow, want to "McDonaldize" the world. Discuss the implications of this statement. Should McDonald's try to standardize its product mix? What aspects of McDonald's are universal and thus can be exported to other countries? Should the company introduce in the United States the products that are successful in Europe and Asia?

It is understandable why some managers of McDonald's may want to believe that they have a successful formula that they can use to conquer the world. After all, the company has been highly successful in the United States, Europe, and Asia (including the difficult-to-crack Japanese market) in spite of the cultural differences that exist. Some may thus believe that McDonald's has the ability to homogenize consumers' tastes.

The managers' statement represents a careless thought and reflects the big-car syndrome. These American managers, in essence, want to Americanize the world, believing that their American products, reflecting Americans' taste, are superior and that such products should be preferred by foreign consumers. This kind of thinking is dangerous. If this attitude prevails, McDonald's will become less likely to make necessary changes in its products or promotional messages even when foreign markets are clearly different. In effect, it will violate the marketing concept as it tries to force consumers to change their wants to conform to the firm's offerings--rather than to adjust the firm's offerings to fit consumer needs.

It must be pointed out that certain business practices have uniform appeal. Consumers worldwide, as can be expected, prefer friendly and quick service, cleanliness, value, and consistent product quality. Any organizations (including McDonald's) that can meet these criteria are likely to be successful. It is true that McDonald's has done a remarkable job in satisfying these consumer requirements. In this instance, consumers' requirements happen to coincide with McDonald's offerings. But what customers everywhere really want is a good product at a good price--not necessarily McDonald's.

While marketing principles are universal and the marketing process can be standardized, it does not mean that a firm should have only one uniform marketing mix to be utilized in all countries. More often than not, it is unlikely that one marketing method or campaign will be able to effectively satisfy worldwide consumers even when they have uniform requirements. One marketing mix to satisfy the whole world is often woefully inadequate.

Fortunately for McDonald's, the firm, while insisting on consistency, understands the need for flexibility. As a result, it has allowed its U.S. and overseas franchisees some freedom to design their marketing programs. While McDonald's insists on quality, it has also made necessary adaptations. The variations across countries of its product mix are one example. As a matter of fact, the operations in France have been successful and profitable to the point that some of the ideas and methods there have been borrowed and implemented in the United States.