



McDonald's: Local Footprint, Global Reach

Idea Objective: *To understand how effective the concept of local footprint, global reach can be in developing a successful global strategy for a company.*



Have you ever wondered if you could order a McHuevo in Uruguay (<http://www.mcdonalds.com/countries/uruguay/food.html>)? Yes, you can — but if you're an American touring Bombay or Delhi, for instance, you might well ask, "Where's the beef?" Due to the religious beliefs of many Indians, there won't be any! Instead, you'll see a McVeggie or McAloo — don't ask me what the latter is — which you can check out for yourself (<http://www.mcdonaldsindia.com/>).

McDonald's is opening restaurants worldwide, faster than you can say "two-all-beef-patties-special-sauce-lettuce-cheese-pickles-onions-on-a-sesame-seed-bun," and keeping pace with market-smart variations on their traditional menu.

If money were no object, think what fun it would be to travel around the world and check out the Golden Arches in every country

to see what that local menu offers and how McDonald's applies [enforces] the concept of local footprint, global reach! I will spare you the expense. Right here, right now you can get an insanely great idea of what the journey would be like — the differences in culture, food offerings and technology from country to country — by surfing online. Let's take a look:

- Norway (<http://www.mcdonalds.no/>): The "Laksewrap Wasabi," a salmon wrap with dill sauce.
- Netherlands (<http://www.mcdonalds.nl/>): The "Groenteburger," a vegetable burger.
- Germany (<http://www.mcdonalds.de/html.php?t=Fleisch&rt=all>): Frankfurters, tortellini and beer!
- Thailand (<http://www.mcthai.co.th/>): The "Samurai Pork Burger," marinated with teriyaki sauce; a palm-fruit sundae; or a fish n' salmon sauce burger.
- France (<http://www.mcdonalds.fr/#/home/>): Wine.
- Uruguay (<http://www.mcdonalds.com/countries/uruguay.html>): The "McHuevo," a hamburger with a poached egg on top, or the "McQueso," a toasted cheese sandwich.
- Japan (<http://www.mcdonalds.co.jp/>): The "Chicken Tatsuta" sandwich, fried chicken spiced with soy sauce and ginger, served with cabbage and mustard mayonnaise.
- The Philippines (<http://www.mcdonaldsph.com/>): "McSpaghetti," featuring a sweet tomato and meat sauce with frankfurter bits.
- Singapore (<http://www.mcdonalds.com.sg/>): Vanilla ice cream swirled with Flavour Burst — (http://www.mcdonalds.com.sg/eatsmart_dessert_menu_flavour.htm) rich chocolate, tangy raspberries, fruity grape or exotic mocha — and spiced for Singaporean tastes.
- New Zealand (<http://www.mcdonalds.co.nz/>): The "Kiwiburger," a hamburger with a fried egg and slice of beet.
- Chile (<http://www.mcdonalds.cl/window.asp>): Dress your burgers with not ketchup but avocado paste. It becomes a "McPalta."

- Canada (<http://www.mcdonalds.ca/en/index.aspx>): Grilled cheese sandwich, and in some parts of Canada, you can order a lobster dinner with the McLobster lobster roll.

McDonald's is the leading global foodservice retailer, with more than 31,000 restaurants serving 52 million people in more than 100 countries each day. More than 70% of McDonald's restaurants worldwide are owned and operated by independent local men and women. Revenues for the year 2007 reached \$22.8 billion.

McDonald's has a sizable international presence; 65% of sales occur outside of the United States. In addition to developed markets like the U.K., Canada, South Korea and Australia, McDonald's operates in fast growing emerging markets like China, India, Russia and Eastern Europe.

China is a particularly important market. In FY 2007, McDonald's launched the breakfast menu, extended store accessibility to 24 hours in major cities, and implemented drive-thru in China, which attest to the corporation's high expectations of growth in that market.

Most recently, McDonald's has been benefiting from new menu items elsewhere, expanded hours and the tendency of cost-conscious consumers to opt away from pricier eating-out options in the U.S. Overseas, it has reaped rewards from expansion and organic growth in key markets like Australia, China and Japan, along with the currency benefits of the weak U.S. dollar.

International breakdown for the largest markets is as follows:

McDonald's International Revenues - 2007

Geographic Region	Percent of Total Revenues
US	35%
France, Germany, UK	21%
Rest of Europe	14%
Australia, China, Japan	8%
Rest of Asia, the Middle East, Africa	8%

Take a historical virtual tour of McDonald's land
(http://www.mcdonalds.com/corp/about/mcd_history_pg1.html).

And surf the world at McDonalds.com
(<http://www.mcdonalds.com/>).

Truly a global empire, and a great example and inspiration to boot!

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