



# INTERNSHIP REPORT MCDONALDS SHELL BANDAR BOTANIK DT

FACULTY : BUSINESS MANAGEMENT

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# **Part 1: Preliminary Pages**

# **EXECUTIVE SUMMARY**

Every student enrolled in Business Administration (Hons.) Finance (BA242) in 6 semesters is obligated to complete MGT666 for the internship. Completing an internship in the food and beverage industry at McDonald's Shell Bandar Botanic DT is a fantastic opportunity to apply my theories and knowledge in a real-world working environment. By spending 24 weeks in this industry, from March 4, 2022, to August 18, 2023, I will gain practical experience and develop important skills that can complement my studies in Bachelor of Business Administration (Hons.) Finance (BA242) course. During my internship, I have the chance to work within the food and beverage sector and gain insights into various aspects of the industry, such as finance, operations, customer service, and management.

The first section of this report, which covers the organizational details of McDonald's Shell Bandar Botanic DT, including its background, vision, mission, and organizational structure, sets the foundation for understanding the company's context and objectives. This information helps create a clear picture of the organization's purpose and how it operates. The inclusion of a SWOT analysis is an effective way to assess the internal and external factors that impact the organization. By identifying the strengths, weaknesses, opportunities, and threats, I gain insights into the critical components and advantages and disadvantages of the organization.

Moreover, I also utilized a PESTEL framework to identify opportunities and threats for McDonald's Shell Bandar Botanic DT. The PESTEL analysis considers various external factors, such as political, economic, sociocultural, technological, environmental, and legal influences. This framework helps uncover potential opportunities and threats in the organization's external environment, allowing for a comprehensive assessment of its strategic landscape. By providing practical and helpful recommendations, it will demonstrate a critical understanding of the organization's strengths, possibilities, flaws, and threats. These recommendations can guide decision-making processes and assist in further leveraging the organization's strengths, addressing weaknesses, and mitigating potential threats.

# Part 3: Company's Profile

# 3.1 Name, Location and Background



Figure 1: Mcdonald's Logo

McDonald's Corporation is a multinational fast-food restaurant chain that was founded in 1940 by Richard and Maurice McDonald. Headquartered in Chicago, Illinois, United States, McDonald's is one of the world's largest and most recognizable fast-food brands, serving millions of customers daily. McDonald's has become one of the most prominent and successful fast-food brands globally. It operates thousands of restaurants in various countries around the world, serving a diverse menu of fast-food items such as burgers, chicken, fries, salads, and breakfast items. The company is well-known for its iconic Golden Arches logo and its signature items like the Big Mac and the Happy Meal.

McDonald's expanded to become the greatest restaurant chain in the globe. There are currently over 33,000 McDonald's locations in 119 countries including in Malaysia. McDonald's made its entry into Malaysia in December 1980 through a licensing agreement with Golden Arches Restaurants Sdn Bhd. This agreement granted Golden Arches Restaurants the license to operate McDonald's restaurants in Malaysia. The first McDonald's restaurant in Malaysia officially opened its doors on April 29, 1982, at Jalan Bukit Bintang in Kuala Lumpur. This marked the beginning of McDonald's presence in Malaysia and its introduction of popular fast-food offerings to the Malaysian market. Since its initial opening, McDonald's has expanded its presence throughout Malaysia, with numerous restaurants located in various cities and towns across the country. The brand has become well-established and widely recognized in Malaysia's fast-food industry.

Over the years, McDonald's has expanded its menu to cater to different tastes and dietary preferences, introducing healthier options, vegetarian choices, and regional specialties in some locations. The company has also made efforts to improve its sustainability practices and environmental impact. With its extensive reach and brand recognition, McDonald's has a significant impact on the fast-food industry and popular culture. It has inspired the growth of countless other fast-food chains and has become a symbol of globalization and the fast-paced modern lifestyle. McDonald's presence in Malaysia has had a significant impact on the country's dining culture, offering Malaysians a convenient and familiar option for quick meals and snacks. The growth and success of McDonald's in Malaysia since its establishment in 1982 demonstrate the brand's popularity and its ability to adapt to diverse markets around the world.

# 3.2 Vision and Mission, Objective, Goal

### **3.2.1 Vision**

"To move with velocity to drive profitable growth and become an even better McDonald's, serving more customers delicious food each day around the world."

McDonald's aims to enhance its brand and expand its global presence.

# 3.2.2 Mission

"To be our customers' favorite place and way to eat and drink."

A focus on customer satisfaction, ensuring that McDonald's remains top-of-mind and delivers to their expectations, thereby fostering loyalty and attracting more customers.

# 3.2.3 Objective and Goals

McDonald's main aims align with serving good food of great value in a friendly, fun environment and being a socially responsible company that provides good returns to its shareholders. Moreover, McDonald's emphasizes the importance of core values that define the company's identity and guide its business practices. These values serve as the backbone of the brand and play a significant role in shaping the company's culture and decision-making processes.

- 1) Serve "We put our customers and people first": McDonald's places a strong emphasis on serving its customers and creating positive experiences for them. By prioritizing customer satisfaction and valuing its employees, McDonald's aims to deliver quality products and excellent service.
- 2) Inclusion "We open our doors to everyone": McDonald's values inclusivity and believes in providing an inclusive environment where people from all backgrounds are welcomed and respected. This commitment extends to customers, employees, and communities, fostering diversity and ensuring equal opportunities.

- 3) Integrity "We do the right thing": McDonald's emphasizes the importance of integrity in all aspects of its operations. This value drives the company to make ethical decisions, act with honesty and transparency, and uphold high standards of business conduct.
- 4) Community "We are good neighbors": McDonald's recognizes its role as a responsible corporate citizen and strives to make a positive impact on the communities it operates in. The company engages in community initiatives, supports local causes, and aims to be a good neighbor by actively participating in community development.
- 5) Family "We get better together": McDonald's values the concept of family and collaboration. This extends not only to employees but also to customers and stakeholders. The company believes in fostering a supportive and inclusive environment that encourages teamwork, growth, and continuous improvement.

By upholding these values, McDonald's aims to create a culture that aligns with its core beliefs and builds trust with customers, employees, and communities. These values serve as a guide for decision-making, shaping the company's actions and ensuring its commitment to delivering value and making a positive impact.

# 3.3 Organizational Structure

McDonald's, like many large corporations, has a hierarchical organizational structure that consists of various levels or stages with defined job roles and responsibilities. The organizational structure helps to establish clear lines of authority, communication, and accountability within the company. Figure below shows a chart of organizational structure in McDonald's.

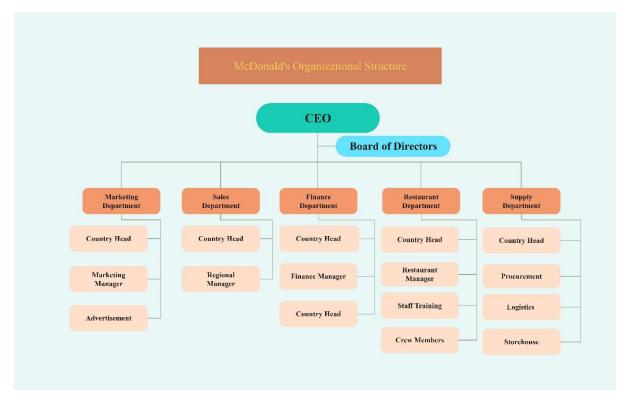


Figure 2: Organization Structure for McDonald's

# **3.4 Product or Services**

McDonald's offers a range of products and services, primarily in the fast-food industry. They are mainly known for their burgers and beverages. Moreover, McDonald's offers a diverse range of products and services to cater to different customer preferences. Some of the key products and services are shown in Table 1 and Table 2 below.

Product	Details	
1. Burgers	McDonald's is well-known for its signature hamburgers like	
	the Big Mac, Quarter Pounder, Cheeseburger, and Spicy	
	Deluxe.	
2. Chicken	McDonald's offers a variety of chicken-based options, such	
	as the McChicken, Spicy Fried Chicken, Chicken	
	McNuggets.	
3. French Fries	McDonald's is famous for its crispy, golden French fries, available in different sizes.	
4. Breakfast Items	McDonald's serves breakfast options like Egg McMuffins,	
	Sausage McMuffins, Hotcakes, and hashbrown.	
5. Beverages	McDonald's provides a wide range of beverages, including	
	soft drinks, coffee, iced coffee, hot chocolate, and smoothies.	
6. Dessert	McDonald's offers a range of desserts, including apple pies	
	Strawberry White Chocolate pie, sundaes, McFlurries, and	
	ice cream cones.	

Table 1: Product description

Services	Details
1. Drive-Thru	McDonald's drive-thru service allows customers to place orders and receive their food without leaving their vehicles.
2. Table Service	The customers order at the kiosk or cashier and are given a number to bring to their table, where the food will eventually be promptly delivered.
3. Take out and dine in	Customers can order food to go and enjoy it outside the restaurant premises or McDonald's locations offer indoor seating where customers can enjoy their meals inside the restaurant.
4. McDonalds Delivery Service or Mobile Ordering	Through the McDonald's mobile app or website, customers can place orders in advance for pick-up.

Table 2: Service description

These are just some of the products and services offered by McDonald's. The menu and services may vary slightly between different countries or regions to accommodate local preferences and cultural differences.

# Part 4: Training's Reflection

# 4.1 Training's Duration

Each student enrolled in this Bachelor of Business Administration (Honors) Finance program is required to carry out an internship in the last semester before graduating. In this particular situation, I was able to complete my training within the timeframe specified by UiTM Arau Perlis, which was between 1 March 2023 and 15 August 2023. My training lasted for a total of six months, or twenty-four weeks.

During my internship at McDonald's Shell Bandar Botanik DT, the full-time employees including internship followed a work schedule of 6 days a week, with each day consisting of 8 hours of work and 1 day off. Additionally, it appears that the break time provided for employees was 45 minutes.

# 4.2 Training's Details

On the first day, I showed up to start my industrial training at McDonald's Shell Bandar Botanic DT. I was reporting duty at McDonald's Shell Bandar Botanic DT to the shift manager, Miss Munirah Aida. The first thing to do is handwashing. In addition, it is crucial in maintaining hygiene and preventing the spread of contaminants in the food and beverage industry. Following proper handwashing protocols, such as washing hands thoroughly and drying them properly, is essential for food safety. While the recommended frequency for handwashing may vary based on specific regulations and guidelines, the principle of washing hands whenever they could have been contaminated is a good practice to follow.

The timed handwashing system, with a frequency of every 30 minutes, can be an effective approach to ensure regular hand hygiene. It helps to minimize the potential for cross-contamination and maintain a high level of cleanliness throughout the workday. After that, I was assigned to the drink drawer and received training from a crew trainer named Mr. Ahmad Fahmi. During this training, I learned how to handle the drink orders efficiently and accurately. Mr. Ahmad Fahmi guided me through the process of selecting the correct cup size (small, medium, or large) based on the order displayed on the screen near the drink drawer. I also instructed to use the ice scoop to add an appropriate amount of ice to the cup, ensuring hygiene and avoiding direct contact with hands. After that, I was taught to return the scoop to its holder and place the cup under the designated dispensing nozzle. It is commendable that I was able to

perform my tasks swiftly and with care during the two weeks I was assigned to this station. Developing speed and accuracy in fulfilling customer orders is crucial in the fast-paced environment of a McDonald's restaurant.

In addition, the drive-thru order taker station is the most challenging for me, especially for someone new to the role. Taking orders at the drive-thru requires excellent communication skills, multitasking abilities, and the ability to work quickly and accurately under pressure. However, interacting with customers through a speaker system can sometimes make it difficult to hear and understand their orders. Background noise, accents, or technical issues can add to the communication challenge. Clear and effective communication is essential to ensure accurate order taking. Managing multiple tasks simultaneously can be demanding. As a drive-thru order taker, I need to listen attentively to customers, accurately input their orders into the system, process payments, and maintain a friendly and efficient demeanor throughout. Moreover, as we know drive-thru orders are often expected to be fast and efficient. There can be a constant stream of cars, and customers may have time constraints. Balancing speed with accuracy is crucial to provide a positive customer experience while meeting operational requirements. Occasionally, I also encounter challenges such as order modifications, missing items, or dissatisfied customers. Being able to handle such situations calmly, find solutions, and provide excellent customer service is vital.

Finally, having the opportunity to learn and work in various stations during my internship at McDonald's is an excellent way to gain a comprehensive understanding of the restaurant's operations. By experiencing different roles, I can develop a well-rounded skill set and have a broader perspective on how each station contributes to the overall functioning of the restaurant. Working in various stations such as Presenter, MDS Assembler, Drive-Thru order taker, kitchen and McCafé allows me to learn about different aspects of customer service, food preparation, order management, and teamwork. It also helps me appreciate the importance of coordination and effective communication among different areas of the restaurant.

# 4.3 Training's Gains

The food and beverage industry offers unique learning opportunities and exposure to various aspects of the business. It allows individuals to gain practical knowledge, develop skills, and understand the intricacies of the industry firsthand. During my training, I may have had the chance to work in different areas such as food preparation, customer service, operations, and possibly even management. This experience likely provided you with insights into the day-to-day operations, industry standards, and the importance of delivering quality products and services to customers.

Working in the food and beverage industry allows individuals to gain practical, hands-on experience in various aspects of the business. Whether it is food preparation, menu development, inventory management, or customer service, individuals can actively participate in different tasks and learn by doing them. Moreover, the food and beverage industry are constantly evolving, influenced by changing consumer preferences, culinary trends, and market demands. Being part of the industry provides individuals with a firsthand understanding of these dynamics, enabling them to adapt and stay updated with the latest industry developments. Industrial training in the food and beverage industry can also teach valuable skills such as time management, teamwork, problem-solving, and customer relationship management. These skills are not only beneficial for a career in the food and beverage industry but can also be transferable to other sectors.

Moreover, McDonald's also provided external benefits during my internship. Offering a monthly allowance ranging from RM1000 to RM1350 to degree students is a positive incentive that acknowledges the value of our contribution and helps support our financial needs during the internship period. In addition, providing a daily allowance for crew meals is another significant benefit. This allows employees to enjoy a meal without the added worry or expense of arranging lunch on their own. By providing this benefit, McDonald's ensures that its employees are well-nourished and have one less thing to worry about during their workday.

These benefits contribute to a positive work environment, employee satisfaction, and well-being. By offering financial support and taking care of employees' daily meals, McDonald's demonstrates its commitment to supporting and investing in its workforce. These external benefits not only provide practical support but also contribute to a positive employee experience, helping to attract and retain talented individuals within the organization.

# Part 5: Swot Analysis

# 5.1 Strength

# **5.1.1 Strength 1: Strong Brand Recognition**

Strong brand recognition refers to the level of brand awareness and familiarity among the target audience. This indicates that consumers can easily identify a specific brand and its associated product or service. Brand recognition is a crucial component of brand equity and can have a substantial effect on the market success of a business. McDonald's is one of the largest fast-food franchises in the world and a globally recognized brand. McDonald's serves millions of consumers each day at its over 36,000 restaurants worldwide. In Malaysia, McDonald's is a popular option for both locals and tourists. With more than 320 restaurants nationwide, it serves a substantial number of consumers. McDonald's has become one of the leading fast-food chains in Malaysia, serving more than 13.5 million customers per month (Chung, 2022). This shows McDonald's success in establishing a strong brand image as one of the world's foremost fast-food chains. The company's long-term survival depends on its efforts to develop this image. Consistent advertising, superior products, and exemplary customer service have contributed to the success.

Over the years, McDonald's has invested significantly in advertising campaigns. Consistently, the company has promoted its products through television, print media, digital platforms, and social media. By maintaining a strong advertising presence, McDonald's has ensured that its brand remains prevalent in consumers' minds. Moreover, McDonald's is widely recognized for its well-crafted and effective advertising campaigns that convey its message of fast, affordable, and convenient meals. Through its consistent use of advertising slogans such as "I'm lovin' it," which was first introduced in 2003 and campaigns, the company has succeeded in establishing itself as a trustworthy and recognizable brand. The Test Your Ad System Platform1 surveyed 150 consumers and found that 98% identified the 60-second broadcast as a McDonald's advertisement before it ended. The category average score is 91%, indicating the "extraordinary" brand recognition strength of the advertisement (Jefferson, 2023). Moreover, McDonald's has demonstrated adaptability in its advertising strategies that target children. They have employed various tactics to appeal to younger audiences, such as using colorful branding, offering toys with kids' meals, and featuring popular cartoon characters in their advertisements. In addition, approximately 37% of Gen Alpha's parents reported that McDonald's was their children's preferred restaurant (Beaton, 2023).

# **5.1.2 Strength 2: Variety of Food**

McDonald's offers a wide range of food items with a variety of flavors and options to cater to different tastes. McDonald's also customizes its menu to suit the taste preferences and cultural sensitivities of consumers in different countries, including Malaysia. The company adapts its offerings to align with local religious and cultural sentiments. Especially, Malaysia has a diverse population with various ethnic and religious backgrounds, and McDonald's caters to these preferences through its localized menu offerings. McDonald's in Malaysia ensures that all its restaurants and food items are certified as halal, conforming to Islamic dietary guidelines. Halal certification is a verification process that ensures that food products and establishments comply with Islamic dietary laws and requirements (Rahman, 2021). In the context of McDonald's and other food establishments, obtaining a halal certificate means that the food preparation and ingredients used meet the halal standards and are permissible for consumption by Muslims. Moreover, McDonald's in Malaysia incorporates local flavors and ingredients into its menu offerings. They introduce region-specific items that incorporate Malaysian tastes, such as the Spicy Ayam Goreng McD (spicy fried chicken), the Nasi Lemak (inspired by the traditional Malaysian dish), and Bubur Ayam McD (rice porridge with chicken).

McDonald's is known for making tasty food that appeals to a wide range of people. McDonald's has dedicated considerable resources to developing and refining its recipes, ensuring that their menu items are consistently enjoyable. They strive to create food that is flavorful, satisfying, and enjoyable for their customers. The findings from CivicScience's poll reflect the popularity and preference for McDonald's fries among a significant portion of fastfood consumers. With half of the respondents choosing McDonald's fries as their favorite, it indicates that the chain has a strong following and is considered the top choice for many adults who enjoy fast food (Strozewski, 2023). McDonald's fries have long been recognized for their unique taste and texture. They are known for their crispy exterior, fluffy interior, and a distinctive seasoning that sets them apart. The consistent quality and recognizable flavor of McDonald's fries have helped them establish a strong reputation and a loyal customer base over the year, Furthermore, McDonald's has a dedicated research and development team that works on new product innovations and improvements to their existing menu items. Overall, McDonald's ability to tap into new markets and expand its customer base is supported by its diverse menu and the incorporation of local flavors and cultural preferences. By adapting to the specific needs and tastes of different regions, the company can continue to attract and retain customers from various cultural and demographic backgrounds.

### 5.2 Weakness

# 5.2.1 Weakness 1: Lack of Parking Near The Store

A well-designed and ample parking lot can be a creative way to attract and retain customers while maintaining a positive business image. Indeed, a safe parking space ensures the security of customers' vehicles, allowing them to purchase without concern for their automobiles (Editorial, 2022). A spacious and easily accessible parking lot provides convenience for customers. They can easily park their vehicles without any hassle, making it more likely for them to choose the business over competitors that may have limited parking options. However, the lack of parking is a common issue that can affect fast-food restaurants, including McDonald's, especially in urban or densely populated areas. Limited parking spaces can create challenges for customers who prefer to dine in or use the drive-thru service. Moreover, customers who choose to dine inside the restaurant may find it difficult to find available parking spaces nearby. This can discourage them from selecting McDonald's as their dining option, especially during peak hours when parking becomes even scarcer.

Insufficient parking spaces can lead to congestion and longer wait times in the drive-thru lane. Customers may have trouble finding parking spots to wait for their turn in the drive-thru queue, causing traffic jams and frustration. limited parking can indeed be a significant inconvenience for customers, and it has the potential to negatively impact their experience at McDonald's. Customer frustration and anger due to parking challenges can arise from several factors, including difficulty finding a parking spot, long wait times, or having to park at a distant location. Besides that, Inadequate parking management can lead to employees wasting valuable time searching for parking spots. This can result in decreased productivity and frustration among employees. According to Schoessling (2023), when employees encounter the same parking difficulties as consumers, it can have a significant impact on their experience and perception of your company. This may affect employee retention and employment satisfaction. Moreover, continuously struggling to find parking spaces can cause stress and frustration among employees. Starting the workday with the added pressure of finding parking can negatively impact their mood and well-being, potentially affecting their performance and job satisfaction. Overall, a well-designed and customer-friendly parking lot can contribute to the success of the business by attracting and retaining customers, enhancing your brand image, and providing a positive overall experience. Obviously, proper parking management also crucial to ensure a smooth and efficient work environment for employees.

# 5.2.2 Weakness 2: Lack of Employee Satisfaction

Employee satisfaction plays a crucial role in the success and performance of any organization, including McDonald's. When employees are satisfied and engaged in their jobs, they are more likely to be motivated, focused, and committed to achieving their objectives and contributing to the success of the company (Steben, 2023). Low job satisfaction can have significant consequences for both employees and organizations. When employees are dissatisfied with their jobs, it can lead to a range of negative effects that impact individual performance as well as overall organizational success. Only 49 percent of employees, according to a 2019 Deloitte survey, are content with their employment (Picincu, 2020).

Low wages in the fast-food industry, including at McDonald's, can indeed contribute to employee dissatisfaction. When employees feel that their wages are insufficient to meet their needs or are not commensurate with their efforts, it can lead to various challenges and negative consequences. Low wages can create financial stress for employees, especially if they are struggling to cover their basic living expenses. This stress can impact their overall well-being and job satisfaction, as they may constantly worry about meeting their financial obligations. This can make it difficult to secure stable housing and potentially increase the risk of homelessness for individuals in this industry. The study found that over the past eight years, the industry has been a significant driver of homelessness in the Golden State, increasing the homeless population by 51%. According to the report, one in seventeen of California's homeless are now fast-food workers (Napolitano, 2023). Besides that, Fast-food establishments, including McDonald's, can be fast-paced, and demanding, especially during peak hours. Dealing with demanding customers, working under time constraints, and managing multiple tasks simultaneously can create a high-stress work environment that negatively impacts employee satisfaction.

# **5.3** Opportunities

# **5.3.1 Opportunities 1: Enhancing Focus on Nutritional Menu**

Fast food has often been associated with poor nutritional value. Typically, fast food contains a variety of unhealthy ingredients. It contains a high amount of sugar, sodium, saturated or trans fats, and numerous processed preservatives and ingredients. In addition, it is deficient in certain nutrients, according to a 2015 review (Huzar, 2023). As we know, fast food is easily accessible and readily available in many areas. Fast food outlets are often found in numerous locations, including urban centers, shopping malls, and along major roadways. The convenience and widespread presence of fast-food establishments contribute to their easy accessibility. In fact, the availability, accessibility, and affordability of unhealthy foods can contribute to an environment that promotes unhealthy eating patterns and preferences. This can lead to a vicious cycle in which the appetite control system becomes desensitized, making it more difficult for people to make healthier choices. Indeed, enhancing the focus on a nutritional menu is an important step that fast-food restaurants like McDonald's can take to meet the changing demands and preferences of their customers.

An interesting and positive development regarding McDonald's efforts to advertise balanced meals to children. By setting stringent nutrition criteria for their Happy Meal Bundles, McDonald's aims to provide healthier options for kids. This includes a maximum of 600 calories, 10% of calories from saturated fat and added sugar, and 650 milligrams or less of sodium, indicate a commitment to offering meals that meet certain nutritional standards (Salas, 2022). Meeting these criteria can help ensure that children are provided with more balanced and nutritious options when consuming Happy Meals. Promoting and advertising these healthier meal options can contribute to raising awareness among parents and children about the importance of making nutritious food choices. It's a step toward offering more healthconscious options and addressing concerns related to childhood obesity and nutrition. Besides that, McDonald's may expand its menu to include healthier choices, that provide a balance of macronutrients (carbohydrates, proteins, and fats) as well as essential vitamins and minerals. These items provide customers with alternatives that are lower in calories, saturated fats, and sodium compared to traditional fast-food items. Providing nutritional information can influence consumer decisions and promote healthier diets (Amith et al., 2021). Thus, McDonald's may provide nutritional information for its menu items, including calorie counts, fat content, and other key details. This information helps customers make more informed choices based on their dietary needs and preferences.

# **5.3.2** Opportunities 2: Investment in McCafé

McDonald's can invest further in McCafé to enhance its presence in the coffee and beverage market. Indeed, McCafé has played a significant role in McDonald's business and has helped the company attract new customers. By introducing a line of coffee-based beverages, McDonald's entered the highly competitive coffee market and expanded its offerings beyond traditional fast food. While the initial reception may have been mixed, McCafé has since gained traction and become an important component of McDonald's overall strategy. The global coffee market continues to expand, and there is a growing demand for specialty coffee and premium beverages. McCafé can tap into this market and leverage McDonald's brand recognition to attract customers seeking coffee options. McDonald's often introduces new menu items and limited-time offerings to cater to different tastes and preferences. Traditional cold brew coffee is a popular choice among coffee enthusiasts, known for its smooth and less acidic flavour profile. Serving it black over ice provides a refreshing and chilled option for customers (Santana, 2023).

Explore opportunities to expand the McCafé menu beyond coffee, such as offering a wider variety of specialty beverages, snacks, or breakfast items. This can attract a broader customer base and increase revenue streams. Continuously innovate and differentiate the McCafé offerings to stay ahead of competitors. This can include introducing new flavours, seasonal promotions, and leveraging technology for personalized experiences or mobile ordering. In addition, McDonald's operates in a highly competitive industry. By incorporating a McCafé and offering more menu aligned with successful coffee brands, the company can differentiate itself from other fast-food chains that primarily focus on burgers and fries. This differentiation can give McDonald's a competitive edge by attracting customers who are seeking a more diverse menu and a coffee shop. Developing the McCafé menu to be more aligned with successful coffee brands like Starbucks can be a strategic move for McDonald's. Starbucks is known for its extensive beverage menu, which includes various espresso-based drinks, seasonal specialties, and customization options. Thus, developing the McCafé menu to offer a broader range of coffee beverages can attract coffee enthusiasts who enjoy a diverse selection and personalized options.

### **5.4** Threats

# **5.4.1 Threats 1: Changing Consumer Preferences**

Consumer preferences are constantly evolving, and companies need to adapt to stay relevant in the market (Gupta, 2022). This applies to McDonald's as well as any other business. While McDonald's has been a dominant force in the fast-food industry for decades, it has faced challenges in recent years due to changing consumer tastes and demands. However, it's worth noting that McDonald's has also made efforts to adapt and cater to evolving consumer preferences. In response to the growing demand for healthier options, McDonald's must introduce salads, fruit, and yogurt to its menu. They have also made commitments to reduce artificial ingredients, eliminate certain antibiotics from their chicken supply chain, and offer more transparent nutritional information. These initiatives reflect an acknowledgment of changing consumer preferences towards healthier and more sustainable food choices.

Additionally, McDonald's has embraced technology to enhance the customer experience. They have introduced self-order kiosks, mobile ordering, and delivery services, catering to the convenience-focused preferences of many consumers today. Such innovations have helped McDonald's stay relevant and meet the expectations of a digitally savvy customer base. Furthermore, McDonald's has experimented with regional and localized menu offerings to cater to specific preferences in different markets. They have introduced items like the McSpicy Paneer in India and the McVegan burger in Sweden, recognizing the importance of catering to local tastes and dietary preferences. While challenges exist, McDonald's continues to invest in research and development, market research, and innovation to understand and respond to evolving consumer preferences. They have shown a willingness to adapt their menu, sourcing practices, and customer experience to stay relevant in an ever-changing market. It is important for any business to remain vigilant and responsive to consumer preferences, as competition in the food industry is fierce. By continuing to listen to their customers, monitor market trends, and innovate accordingly, McDonald's can increase its chances of maintaining relevance in the market.

# 5.4.2 Threats 2: Competition from Others Quality Burger

Competition from other quality burger chains can be considered a significant threat to McDonald's. While McDonald's has long been synonymous with burgers, there are several fast-food chains that have emerged as formidable competitors, emphasizing quality ingredients and unique flavours. These chains often target consumers who prioritize taste, freshness, and customization. The fast-food industry is highly competitive, with numerous players vying for market share and constantly striving to attract customers.

For instance, McDonald's encounters direct competition in the fast-food industry from a variety of quick-service restaurants (QSRs), including KFC, Subway, Taco Bell, Wendy's, and Burger King (Downie, 2021). Each of these competitors offers a menu, brand positioning, and customer experience that is distinct from the others, thereby attracting consumers and competing for market share. KFC, known for its fried chicken, directly competes with McDonald's in the fast-food chicken segment. Subway specializes in made-to-order sandwiches and focuses on healthier options, providing an alternative for customers seeking a different dining experience. Taco Bell offers Mexican-inspired fast food, while Wendy's and Burger King are known for their burgers and have been traditional competitors of McDonald's. These competitors often employ different strategies to differentiate themselves from McDonald's and attract their own customer base. They may emphasize unique flavours, promotional offers, pricing strategies, or advertising campaigns to capture consumer attention. Additionally, regional, and local QSR chains may also pose competition in specific markets

# Part 6: Discussion and Recommendation

# **6.1 Strengths**

For strong brand recognition, McDonald's is already one of the most recognized brands in the world, with iconic elements like the golden arches, Ronald McDonald, and popular products like the Big Mac and Chicken McNuggets. However, there are always ways to continue improving and refreshing a brand. It is suggested that McDonald's could look into unique collaborations that resonate with their target audience. These collaborations could be with popular figures, brands, or even media franchises. An example would be their successful McDonald's has seen success with celebrity partnerships, like their "famous orders" campaigns with celebrities BTS. These collaborations included specially curated meals and exclusive merchandise, creating buzz, and drawing in fans of these celebrities. McDonald's could continue to seek out popular figures in music, sports, or entertainment for similar collaborations. McDonald's could also collaborate with popular media franchises, such as movies, TV shows, or video games. They could offer themed meals, limited-edition toys, or other promotional items tied to these franchises. This would not only attract fans of the franchise, but also generate excitement around the McDonald's brand.

For variety of Food, it is proposed for expanding the variety of food offerings can be a powerful way to attract new customers, cater to a broader range of tastes and dietary needs, and keep existing customers excited about the brand. As consumers become more health-conscious, fast-food chains like McDonald's can benefit from adding more nutritious options to their menus. This could include salads with lean proteins, whole grain options, fruit and vegetable sides, or low-sugar desserts. Also, providing detailed nutritional information can help customers make informed choices about their meals. Moreover, In Malaysia McDonald's breakfast is very popular and they could buy during limited time which is 6am until 10 am only. Thus, extending breakfast hours and expanding the breakfast menu could be a great strategy for McDonald's in Malaysia. McDonald's could consider extending its breakfast hours beyond 10 am. Many customers enjoy breakfast foods at all hours of the day, and this could also be beneficial for customers who can't make it to McDonald's before 10 am due to their schedules. In some markets, McDonald's has introduced an all-day breakfast menu with great success. They also could experiment with expanding their breakfast offerings, including healthier options or more unique, innovative dishes.

### 6.2 Weaknesses

Lack of parking near the store can pose significant challenges for businesses, particularly for food establishments like McDonald's that rely on a high volume of customers. As we know, Parking indeed plays an important role in the operational efficiency of businesses like McDonald's, especially for those located in high-traffic, urban areas or those that offer drive-thru services. In my recommendation, McDonald's must introduce time restrictions for parking spaces near the store to discourage long-term parking and ensure a more frequent turnover of spaces. This strategy can help accommodate more customers throughout the day. Implementing time restrictions for parking spaces near the store is an effective way to encourage turnover and accommodate more customers. Moreover, McDonald's can study the parking behavior around the store to determine the optimal time restrictions. Consider factors like peak business hours, average customer visit duration, and parking demand in the surrounding area. This analysis will help the store establish appropriate time limits for parking spaces. Moreover, McDonald's can inform customers about the time restrictions through various channels. Display signage at the entrance to the parking area, distribute flyers, or use digital communication methods such as mobile apps or email newsletters to notify customers in advance.

Next will be on the lack of employee satisfaction. We know that employee satisfaction is crucial for creating a positive work environment and enhancing productivity. Lack of employee satisfaction can occur in any organization, including McDonald's, due to various factors such as high workload and stress, low wages, and benefits. To address employee satisfaction, McDonald's can improve communications and feedback among employees. Encourage regular feedback from employees about their concerns, suggestions, and ideas. In addition, establish mechanisms for anonymous feedback to allow employees to express their opinions without fear. Moreover, McDonald's can implement an employee recognition program to acknowledge and reward employee achievements and contributions. This can include formal recognition events, spot awards, or peer-to-peer recognition systems. Regularly communicate the available opportunities for professional growth and development to employees and ensure that managers actively support and encourage employees to take advantage of these programs. By investing in employees' career progression and providing meaningful opportunities, McDonald's can improve employee satisfaction, motivation, and retention.

# **6.3 Opportunities**

To enhance focus on nutritional menu, I would recommend making menu innovation. McDonald's can increase the variety and availability of nutritious options on the menu, including salads, grilled chicken, fresh fruits, and vegetables. Introduce a broader range of salad options with different ingredients, such as mixed greens, lean proteins (grilled chicken, shrimp, tofu), and a variety of vegetables. Moreover, McDonald's can add grilled chicken items to the menu, including sandwiches, wraps, or salads, providing a healthier protein choice. Incorporate fresh fruits and vegetables as standalone side options, as well as toppings for sandwiches and burgers. Offer a variety of fruit options, such as apple slices, grapes, or seasonal fruit cups, as alternatives to traditional desserts can be more interesting. In addition, McDonald's also can display clear nutritional information on the menu boards, packaging, and digital platforms to help customers make informed choices. Highlight and promote the availability of nutritious options, such as salads, grilled chicken, and fresh fruit, through visible signs and menu features also can be more important to attract customer. It can be considered using descriptive and appealing language to highlight the taste and quality of healthier menu items.

Investing in McCafé can help McDonald's strengthen its position in the competitive coffee market, diversify its revenue streams, and attract a broader customer base. By focusing on menu expansion, creating an appealing atmosphere, and leveraging marketing and partnerships, McDonald's can enhance the McCafé brand and drive customer engagement and loyalty. It is suggested, collaborate with local and regional coffee suppliers to showcase unique and highquality coffee beans, fostering a differentiated and premium McCafé experience. Local and regional coffee suppliers often have unique coffee bean varieties that are specific to their geographic location. By partnering with these suppliers, McDonald's can offer customers a taste of the local coffee culture, providing a more authentic and regionally relevant coffee experience. In addition, store design and atmosphere play a significant role in creating a pleasant and inviting experience for customers at McCafé. In this case, McDonald's must enhance the ambiance and aesthetics of McCafé areas within McDonald's restaurants to create a dedicated coffee shop-like environment such as comfortable seating, cozy lighting, and natural materials like wood and warm-toned fixtures. It also can use coffee-themed décor, such as coffee bean artwork, vintage coffee posters, or coffee-related quotes, to reinforce the café atmosphere. By focusing on store design and atmosphere, McCafé can create an inviting and distinct coffee shop experience within the larger McDonald's environment, attracting customers who seek a more relaxed and premium coffee experience.

### **6.4 Threat**

McDonald's has been a leading player in the fast-food industry for a long time, it has indeed encountered challenges in recent years. Some of the factors contributing to these challenges include changing consumer preferences. Many people are now more conscious about their diet and are seeking healthier alternatives to traditional fast food. This trend has led to a rise in the popularity of fast-casual chains that offer fresh, customizable, and healthier options. To cater to changing consumer preferences, McDonald's needs to be proactive and adaptable. It is proposed to do research and understand consumer preferences such as stay updated on market trends, conduct surveys, and analyze consumer feedback to gain insights into changing preferences. This will help the business identify emerging patterns and understand what customers are looking for. For example, McDonald's can regularly evaluate the menu offerings and introduce new items that align with current trends. Consider adding healthier options, plant-based alternatives, or customization choices to cater to different dietary preferences. Moreover, experiment with flavors, ingredients, and cooking techniques to keep the menu fresh and exciting.

As we know, McDonald's faces competition from various other quality burger establishments in the market such as Burger King, Wendy's, and Taco Bell offer burger options that directly compete with McDonald's. In my recommendation, to stay competitive, McDonald's must continually innovate, adapt to changing consumer preferences, and differentiate itself through quality, convenience, and personalized experiences. Understanding the strengths and offerings of its competitors is crucial in developing strategies to attract and retain customers in a competitive burger market. In this case, McDonald's can continuously introduce new and exciting menu items to keep customers engaged. Experiment with innovative flavors, limited time offers, and seasonal specials. By embracing a culture of innovation and consistently staying attuned to customer preferences, McDonald's can effectively compete and maintain its position as a leader in the burger market. In addition, regularly assess customer preferences and trends to stay ahead of changing tastes. Regularly seeking feedback from customers through surveys, social media, or in-store interactions is also essential. Actively listen to customer preferences and concerns and make improvements accordingly. By consistently striving for improvement, McDonald's can stay ahead of the competition.

# **Part 7: Conclusion**

Industrial training programs are designed to provide students with practical job experience and prepare them for the professional world after graduation. By working in a real-life setting, students gain valuable skills and knowledge that can enhance their employability. The mission and vision of the company play a crucial role in shaping the goals and direction of the employees. When the employees align their individual objectives with the company's mission and vision, they contribute towards achieving the overall organizational objectives. Additionally, an internship in the fast-food industry offers hands-on experience in a dynamic and fast-paced environment. It allows interns to apply their theoretical knowledge to real-world scenarios and develop practical skills relevant to the industry. When employees feel valued, engaged, and have a sense of belonging, they are more likely to perform at their best and deliver excellent service. Overall, undertaking an internship in the fast-food industry offers practical experience, industry insights, transferable skills, networking opportunities, and a chance to develop a strong work ethic. It provides a foundation for future career growth and opens doors to diverse roles within the industry or related sectors.

The SWOT analysis in this report serves as a valuable tool for identifying and leveraging McDonald's strengths. It helps the organization in strategic planning by highlighting areas where it has a competitive advantage. By recognizing its strengths, McDonald's can capitalize on them to maintain its market position and improve its performance. Furthermore, the SWOT analysis also helps McDonald's identify potential opportunities for growth and expansion. By understanding the external factors that present favorable circumstances, the organization can take advantage of emerging trends, market gaps, or customer segments. While the SWOT analysis highlights weaknesses and threats, it provides an opportunity for McDonald's to take corrective actions. By acknowledging these areas of improvement, the company can implement strategies to address weaknesses and mitigate threats. This helps in enhancing overall performance and competitiveness. In addition to the SWOT analysis, the utilization of the PESTEL framework provides a broader perspective on external factors affecting McDonald's. It allows the organization to assess the political, economic, social, technological, environmental, and legal factors that influence its operations. By understanding these factors, McDonald's can adapt its strategies and operations to navigate challenges and leverage opportunities. By considering both internal and external factors, the organization can make informed strategic choices and develop comprehensive recommendations.

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# Part 9: Appendices



Figure 1

All McDonald's store in Malaysia requires to wear outfits based on theme given which is Batik.



 $\label{eq:Figure 2} \emph{Figure 2}$  The manager and all crew members wear flower outfits.



Figure 3

Selected Crew need to wear outfit based on Hawaii theme since McDonald's Malaysia introduces New Hawaiian Burger 2023.



Figure 4

I along with all crew members during floral theme.

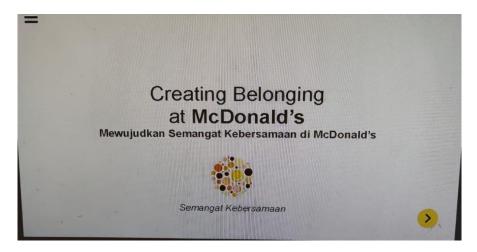


Figure 5

I just finished answering the question about Creating Belonging at McDonald's.



Figure 6

During Hari Raya, McDonald's managers and crew members wear special uniforms or attire to celebrate the occasion and show respect for the cultural significance of the festival.



Figure 7

My friends and I are taking selfies during the Eid Al-Fitr ceremony at McDonald's Shell Bandar Botanik.



Figure 8

Participated in The Tarik Session with all Operations Consultant (OC) and CEO of McDonald's Malaysia at McDonald's Taipan, Subang Jaya



Figure 9

McDonald's set up a rewards program where punctual employees are given the opportunity to redeemed for a variety of prizes.

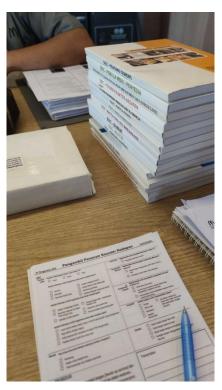


Figure 10

Meeting with my Supervisor for internship