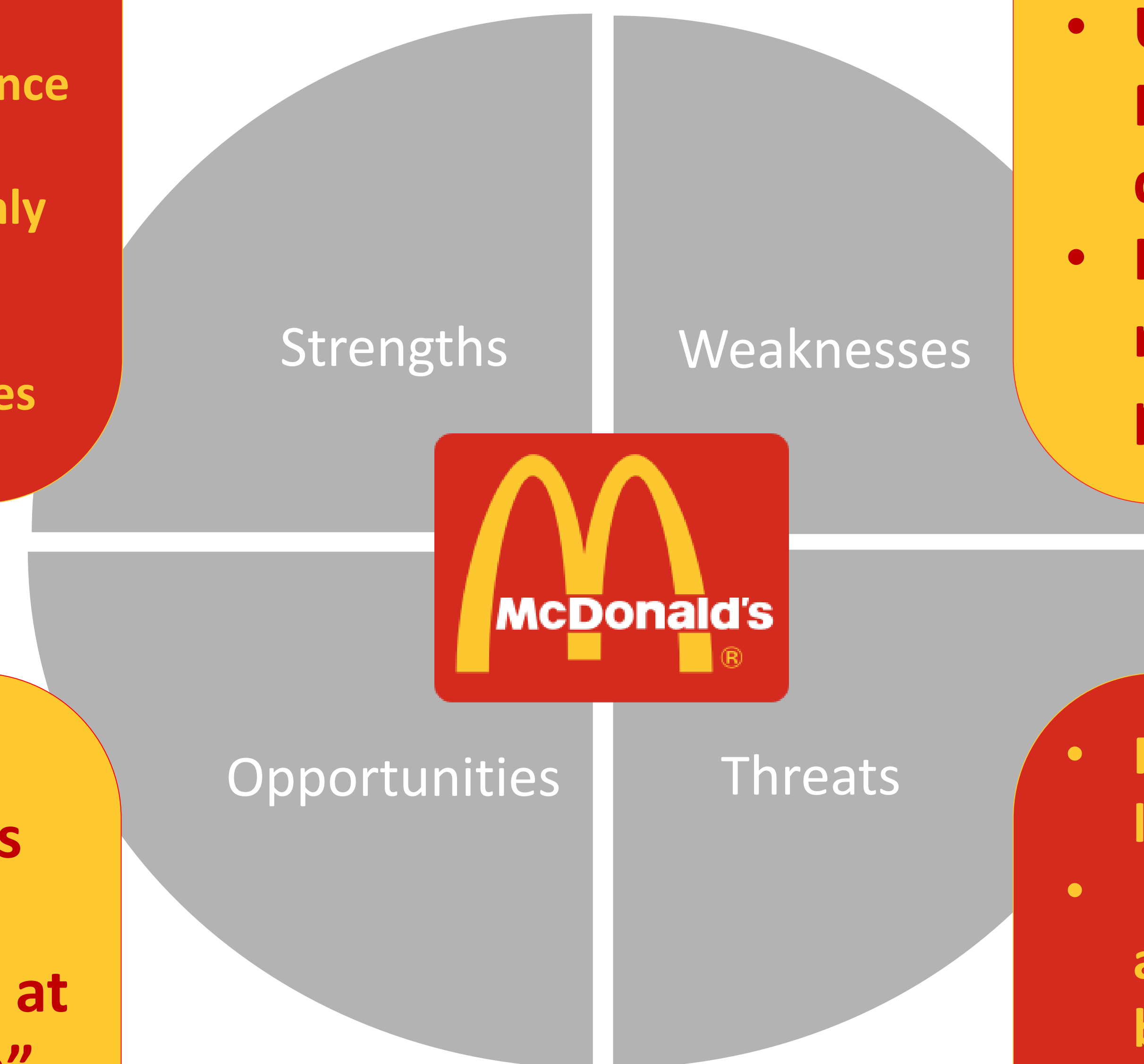


# SWOT Analysis: McDonald's

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- Focus on high quality product offerings helps the company in building brand loyalty.
- The company has established and strictly enforced high quality standards and accordingly approves these independent suppliers.
- To enhance the quality of the company's menu, it sources ingredients from the local market, in order to gain confidence of its customers over its brand.
- In March 2015, it issued policy stating to source chicken only raised without antibiotics.
- McDonald's focuses on providing high quality products to consumers, which strengthens its brand image and provides competitive edge over its peers.



- McDonald's business suffered as Morgan Spurlock created a documentary called "Super-Size Me"—his results upon consuming nothing but this fast food for a thirty day period.
- Upon results consumers restrained from McDonald's as Spurlock's health results diminished quickly.
- High employee turnover—"since there is so much turnover, training costs are high, pressuring the company's bottom line."

- The "Healthy Eating Trend", is sweeping the nation and McDonald's should capitalize on this trend by offering health-cautious food choices.
- Become more sustainable—the environment is at risk and McDonald's can find ways to "go green".
- McDonald's can find ways to reduced waste and recycle.
- Offering delivery services for heavily population areas could give McDonald's a competitive advantage on their fast-food rivals.

- Fluctuations in exchange rates between currencies may lead to negative impacts on McDonald's profit margins.
- Competition between chains may lead to lower prices as to maintain or obtain customers from other businesses.
- McDonald's operations are subject to increasing regulation which leads to increased costs of doing business.
- The health kick in the United States is becoming a threat to the company because people are choosing organic/fresh food over processed food.

## Financial Summary:

- Quarterly—as of December 2016 \$6.03 billion in revenue
- Annual—as of December 2016 \$24.92 billion in revenue
- Price/Cash Flows Ratio—17.16% compared to the 12.60% market average.
- Current Stock Price—\$130.59
- History of company's stock price—started at \$.33, has increased by 392.82%



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