

The gap between McDonalds' corporate identity and corporate image

Author: E.S. Kramer

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Abstract

The author has investigated whether the corporate identity of McDonalds corresponds with its corporate image, after McDonalds growing focus on Active Balanced Lifestyles. To find the real corporate identity desk research has been conducted. To find the current corporate image of McDonalds, 22 respondents have filled in an administered questionnaire. To some extend the corporate identity and the corporate image correspond. On essential subjects, such as quality and responsibility for a balanced diet, a gap has been revealed. McDonalds must be very careful in determining the boarders of its responsibility. Much effort can be saved when determining responsibility in a correct manner, much effort is wasted when it is done incorrectly.

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Introduction

A trend has been set towards a more active and healthy lifestyle in the Netherlands. A book concerning dieting reached several top-10 lists of bestselling books in the Netherlands in the year 2007 for the first time. Television shows such as “The biggest loser” and “You are what you eat” have attracted many viewers. This trend has triggered companies to adjust their corporate identity, in order to create a corporate image associated with healthy living.

McDonalds has always been specialized in fast food, food which is not per definition healthy. In the last few years, McDonalds has repeatedly received criticism regarding the consequences of its products. The company has even received several lawsuits, claiming that it is responsible for causing obesity. These lawsuits were denied by the magistrate, but it influenced McDonalds to undertake efforts to change its communication towards its stakeholders. The aim of this report is to investigate whether the corporate identity of McDonalds corresponds with its corporate image. The corporate image of McDonalds shall be decided upon by interviewing a sample of 22 persons, using an administered questionnaire. The questionnaire contained several statements McDonalds makes on its website, with regard to their corporate identity. Respondents are asked to what extent they agree with these statements and whether they believe McDonalds fulfils its responsibility.

In this report, the concept of corporate identity is characterized as the personality of the organization expressed, either through its behaviour, communication, or symbolism (Birkigt & Stadler, 1995) or what the organization is, its character (Balmer, 1995). This means that corporate identity is mainly characterized by what the organization is, whereas corporate image is mainly characterized by how the organization is perceived. Or, to put it in mass communication terms; identity is a concept that belongs to the sender side of communication, while image is a concept that belongs to the receiver side (Meijer, 2004).

In order to gain a clear view of McDonalds’ current corporate identity, the statements McDonalds makes about its corporate identity are defined. These statements vary from the products it sells to its vision on its place in the fast food industry. After establishing McDonalds’ corporate identity, it will be compared to its corporate image. This comparison will reveal the gap between McDonalds’ corporate identity and corporate image. This report will state what the implications of this gap mean for McDonalds and how it reacts on this identity dissonance.

Method

The data examined in this report were gathered through desk research and an administered questionnaire. Identity is constituted or actualized in discursive constructions (Brown, 1994; Cheney, 1992; Cheney and Christensen, 2000). Cheney and Vibbert indicate that “much of what one calls ‘an identity’ is composed of words” (1987: 176). Through discourse, top management presents the organization and in doing so, helps construct and define organizational identity. Top management’s statements of identity constitute a claim (Alert and Whette, 1985; Ashforth and Mael, 1996), and this claim is credible and legitimate only to the extent that it can be confirmed by the views that both the internal and external stakeholders have of the organization (Moingeon, Bertrand; Soenen, Guillaume, 2002). The statements of

McDonalds' corporate identity have been formed out of information from different websites and annual reports of McDonalds. In these sources, McDonalds made various statements concerning well-being issues.

In a situation in which the corporate identity is not confirmed by the experience of other stakeholders (the corporate image), it will lead to identity dissonance, a state in which different facets of the organization's identity are inconsistent (Elsbach and Kramer). Identity dissonance can create uncertainty about what the organization is. Since reducing uncertainty about the definition of the self is a core human motivation (Hogg and Terry, 2000), we can expect dissonance to trigger organizational responses aimed at establishing consistency in the different facets of identity (Moingeon, Bertrand; Soenen, Guillaume, 2002). The administered questionnaire allows us to identify trends in the larger sample, using statistical analysis. The statements from the desk research have been used as input for the administered questionnaire, to determine whether the corporate image of McDonalds confirms the corporate identity. The administered questionnaire (appendix one) was used in a random sample of 22 participants.

The participants were widely dispersed throughout the Netherlands. All respondents have visited McDonalds within 12 months of the moment they filled in the questionnaire. Nearly 70% of the respondents had visited McDonalds within 90 days on the moment they filled in the questionnaire. The average age of the participants is 25,7 with a minimum age of 19 and a maximum age of 56 years. The sex of the sample was divided by 55% female participants and 45% male participants. Almost 60% of the respondents is currently following or has finished an academic education. The remaining 40% is divided in MBO students (9%) and HBO student (31%).

In the administered questionnaire, respondents were asked when and how frequently they visit McDonalds. Also the reasons for visiting McDonalds were inquired after, including the products of choice, the place of consumption and the way in which McDonalds distinguishes itself. Furthermore, the respondents were asked to indicate, using a five-point scale, to which extent they agreed with statements that McDonalds makes concerning well-being issues. Lastly, the respondents were asked to indicate to which extent they agreed with the statement that it is the responsibility of McDonalds to make statements about well-being issues.

Results

When asked what distinguishes McDonalds from other members of the food industry, the three most important factors were speed, predictability and convenience. For this research it is important to note that healthiness was not mentioned by any of the respondents. Figure one gives an overview of the factors which are important to McDonalds' customers.

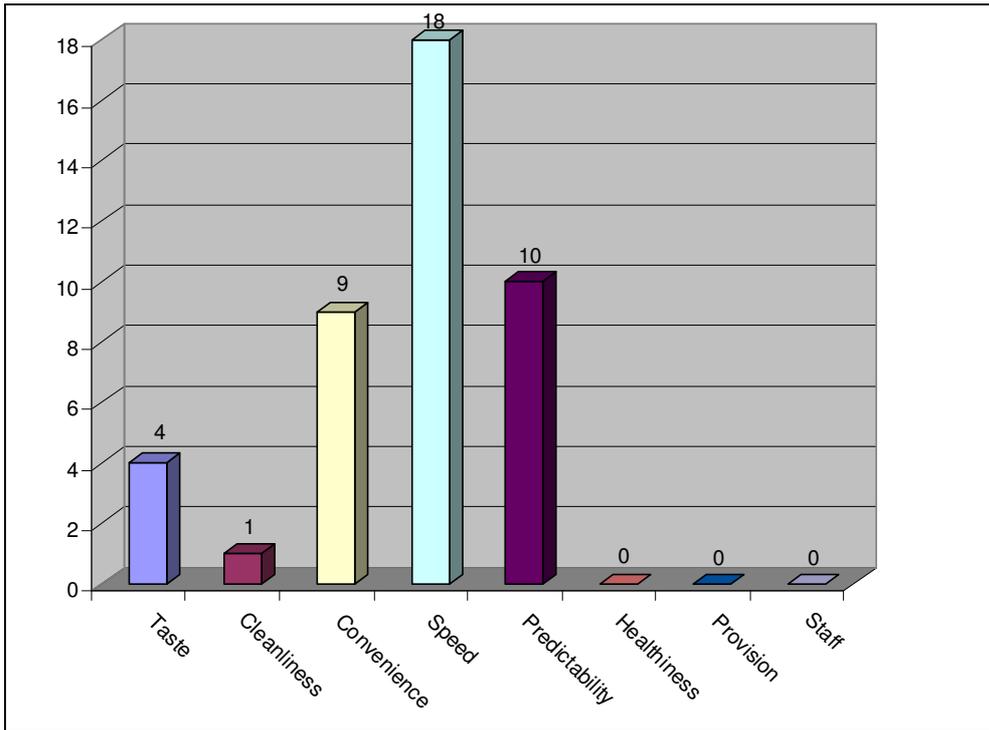


Figure 1 Distinguishing factors of McDonalds

The 22 respondents visited McDonalds on average once every 4 months, with a range of once a month to once a year. The main reason for visiting McDonalds for 60% of the sample was to have diner. In Betweens was the second reason for a visit. Few of the respondents visited McDonalds just to have lunch. When visiting McDonalds, the most frequently placed order of half of the respondents was a menu. Ordering not more than a burger accounts for 27% of the respondents.

To examine whether the corporate identity of McDonalds corresponds with the corporate image of McDonalds, respondents were asked to answer to which extent they agreed with several statements McDonalds makes concerning its products. Figure 2 makes it visible that 16 out of 22 respondents did not agree with the statement that McDonalds serves a range of high-quality foods.

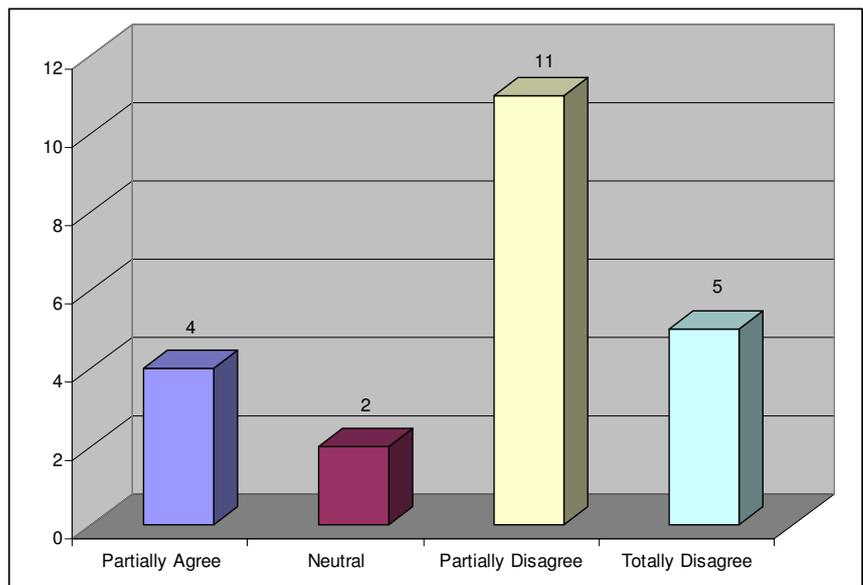


Figure 2 McDonalds serves a range of high-quality foods

More than half of the respondents agreed with the statement that McDonalds leads the fast food industry on the well-being issues. Almost 70% of the sample states that McDonalds has the responsibility to inform its customers on health related issues. Figure 3 the outcomes of the two statements have been graphically displayed.

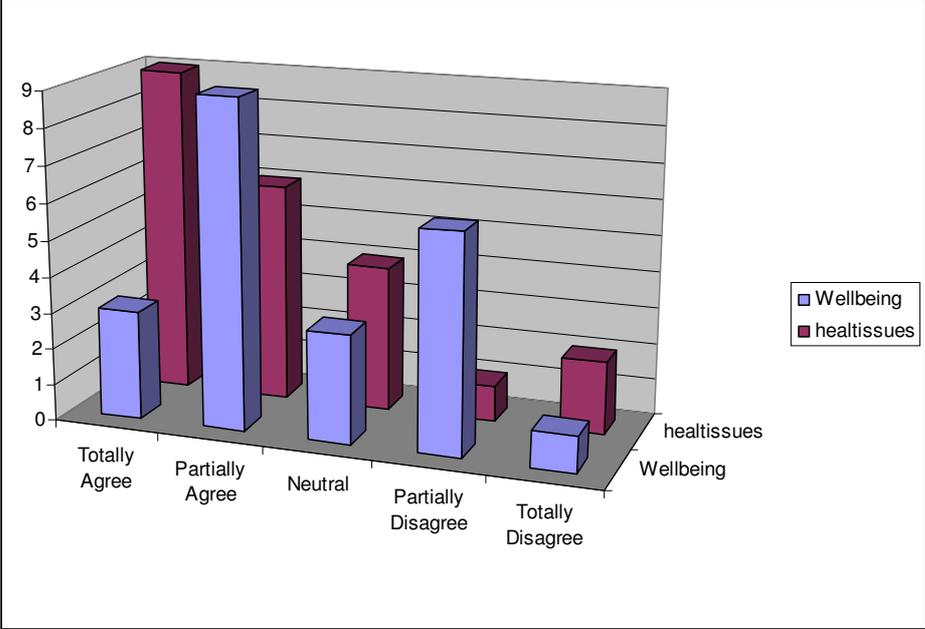


Figure 3

To determine whether the statements McDonalds makes are part of McDonalds’ responsibilities, respondents were asked to indicate to what extent they agreed with the statements regarding responsibility. As a result it was possible to make a table that combines the measure in which the respondent agrees with the statement with the measure of expected responsibility. Table 1 shows that almost 23% (5 out of 22) respondents indicate that McDonalds serves food that can fit into a balanced diet and that this is seen as a responsibility of McDonalds. It must be noted that none of the respondents completely agreed with the statement that McDonalds serves food that can fit into a balanced diet.

		RBalance					Total
		Totally Agree	Partially Agree	Neutral	Partially Disagree	Totally Disagree	Totally Agree
Balance	Partially Agree	2	3	0	0	0	5
	Neutral	0	2	1	1	0	4
	Partially Disagree	2	1	0	3	1	7
	Totally Disagree	2	0	3	0	1	6
Total		6	6	4	4	2	22

Table 1 Crosstabulation Balance * RBalance

Of the respondents, 36% indicates that McDonalds has a responsibility to help people achieve the right balance between the energy they consume as food and the energy they burn in physical activity. Only two respondents indicated that they agreed with the statement that McDonalds actually helps people achieve the right balance between the energy they consume as food and the energy they burn in physical activity.

		RPhysicalActivity					Total
		Totally Agree	Partially Agree	Neutral	Partially Disagree	Totally Disagree	Totally Agree
PhysicalActivity	Totally Agree	1	0	0	1	0	2
	Neutral	0	1	1	1	0	3
	Partially Disagree	2	2	0	4	2	10
	Totally Disagree	1	1	3	2	0	7
Total		4	4	4	8	2	22

Table 2 Crosstabulation PhysicalActivity * RPhysicalActivity

Discussion

Studies concerning fast food are numerous and most of them are linked in one way or another to McDonalds. However no research, has been found regarding the perceived corporate image of McDonalds. A possible explanation is that corporate image related research is mostly a matter of the company itself. Most of the research done after the fast food industry or McDonalds in particular, has to do with the effects of fast food or of companies that distribute fast food in society. This paper investigated whether the corporate identity of McDonalds corresponds with its corporate image.

As discussed in the method section, top management's statements of identity constitute a claim (Alert and Whette, 1985; Ashforth and Mael, 1996), and this claim is credible and legitimate only to the extent that it can be confirmed by the views that both the internal and external stakeholders have of the organization (Moingeon, Bertrand; Soenen, Guillaume, 2002).

McDonalds' statement regarding Balanced, Active Lifestyles is the following: "McDonalds wants to lead our industry on the well-being issues so many of our customers care about. Helping people achieve the right balance between the energy they consume as food and the energy they burn in physical activity calls for involvement and collaboration by many sectors. We aim to play an important role" (www.mcdonalds.com). Jim Skinner, Vice Chairman & CEO, emphasizes this statement by saying: "We have a responsibility to lead. But more important, we can and will make a difference." (www.mcdonalds.com).

More than half of the respondents agreed with the statement that McDonalds leads the fast food industry on the well-being issues. Almost 70% of the sample states that McDonalds has the responsibility to inform its customers on health related issues. The outcomes of the

research data support the idea that the corporate identity of McDonalds corresponds with the corporate image regarding this statement.

Helping people achieve the right balance between the energy they consume as food and the energy they burn in physical activity is not something all customers of McDonalds experience. Only two respondents indicated that they agreed with this statement. On the other hand, only 36% of the respondents indicated that McDonalds has a responsibility to help people achieve the right balance between the energy they consume as food and the energy they burn in physical activity. It seems that McDonalds has no need to bear this responsibility according to the majority of its customers.

In promoting a balanced active lifestyle one would expect to find that the offered food fits into a balanced diet. Unfortunately, none of the respondents completely agreed with the statement that McDonalds serves food that can fit into a balanced diet. Only five of the respondents agreed partially with this statement. More than 55% of the respondents however, agree that McDonalds has a responsibility to offer food that fits into a balanced diet.

McDonalds does not solely aim to provide people with a balanced and active lifestyle. The philosophy of McDonalds is delivering high-quality products against attractive prices and fast and friendly service in a spick-and-span environment. Just four of the respondents partially agreed that McDonalds delivers high-quality products. None of the respondents agreed totally with this statement. Speed is what appeals to nearly all respondents and this is also the only similarity between the corporate identity (according to the philosophy of McDonalds) and the corporate image of McDonalds.

Conclusion

McDonalds does not meet its customers expectations regarding the offer of food that fits into a balanced diet. On the other hand (while) McDonalds is making an effort to help people achieve the right balance between the energy they consume and the energy they burn in physical activity, while most customers do not feel that this is a responsibility of McDonalds. The corporate image of McDonalds matches the corporate identity partially.

It is important for any company that invests in corporate responsibility to choose its fields carefully. Corporate responsibility is an expensive undertaking, and its success is (as its products and services) depended on what the consumer expects of a company. If the fields of responsibility are chosen correctly, the customers will appreciate the extra activities the company undertakes. This can increase the value of the brand and lead to higher customer satisfaction and increased sales.

When a company takes responsibilities upon itself that are not in line with the company's products or activities, this could have negative effects on the company. In the mildest case, the customers will not pay attention to the new activities. This would imply that effort and money are wasted. Worse would be if the customers would perceive the company's newly obtained activities as unauthentic. This could lead to questioning of the company's reasons

are morally correct or just a way of deceiving its customers into acquiring its products or services.

It is clear that it is very important for McDonalds to choose its fields of corporate responsibility wisely. Much effort can be saved when determining responsibility correct, much effort is wasted when it is done incorrectly.

The sample of this study is relatively small to indicate whether the outcomes of the field research are significant. Furthermore, McDonalds is an international enterprise with its roots in the US of A. The decisions might be made on basis of the expectations of the American customers and then distributed worldwide. Suggestions for future research would be to narrow the research into activities especially designed for the Netherlands.

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www.mcdonalds.com.

http://www.mcdonalds.com/usa/good/balanced__active_lifestyles.html. As retrieved on 13-11-2007

Appendix 1

Questionnaire McDonalds

1. Gender

- Male
- Female

2. Age (in years)

.....

3. Level of education

- High School (current / last finished)
 - MBO (current / last finished)
 - HBO (current / last finished)
 - University (current / last finished)
 - Different, namely ...
-

4. When was the last time you visited McDonalds?

- Within the last 7 days
- Within the last 30 days
- Within the last 90 days
- Longer than 3 months ago
- Never, continue with question 10

5. How frequently do you visit McDonalds?

On average every month(s).

6. For what meal(s) do you mostly visit McDonalds?

- Breakfast
- Lunch
- Diner
- In between

7. What is your most frequently placed order?

- Menu
- Menu + supersize
- Only burger
- Only beverage
- Only salad
- Only fries
- Different, namely ...

8. Where do you regularly consume your order?

- In the McDonalds restaurant
- On the walk
- At home
- Other...

9. McDonalds distinguishes itself by:
(Several answers possible)

- Taste
 - Cleanliness
 - Convenience
 - Speed
 - Predictability
 - Healthiness
 - Provision of choice
 - Friendly staff
-

Please indicate to which extent you agree with the following statements:

10. McDonalds serves a range of high-quality foods.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

11. McDonalds serves food that can fit into a balanced diet.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

12. McDonalds helps people achieve the right balance between the energy they consume as food and the energy they burn in physical activity.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

13. McDonalds leads the fast food industry on the well-being issues.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

14. McDonalds has a responsibility to inform its customers on health related issues.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

15. McDonalds has a responsibility to serve food that can fit into a balanced diet.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

16. McDonalds has a responsibility to help people achieve the right balance between the energy they consume as food and the energy they burn in physical activity.

- Totally Agree
- Partially Agree
- Neither Agree or Disagree
- Partially Disagree
- Totally Disagree

You have reached the end of the questionnaire, thank you for your participation.