CHAPTER II
GENERAL DESCRIPTION OF MCDONALD FAST FOOD RESTAURANT AND RESPONDENT IDENTIFICATION

1. GENERAL DESCRIPTION OF MCDONALD FAST FOOD RESTAURANT AND RESPONDENT IDENTIFICATION

Chapter 2 provides a broad overview of McDonald's fast-food restaurant, as well as the identification of respondents from their age, gender, the highest level of educational attainment, job, and income per month.

1.1. GENERAL DESCRIPTION OF MCDONALD FAST FOOD RESTAURANT

1.1.1. McDonalds Development History

McDonald's Corporation of Indonesia, also known as McD, is the world's largest fast-food restaurant franchise. While their main offerings consist of hamburgers, they also serve beverages, french fries, and locally adapted dishes depending on the restaurant's location.

The company's operations began in 1940, when Dick and Mac McDonald opened a restaurant in San Bernardino, California. They established the "Speedee Service System" in 1948, which later became the guiding principle of current fast-food restaurants. McDonald's initial mascot, Speede, was a man with a hamburger-shaped head who wore a chef's hat. Speede was eventually succeeded by Ronald McDonald in 1963.

McDonald's does not regard 1940 to be the birth year of its restaurant. Instead, they designated April 15, 1955, as the establishment date, when Ray Kroc obtained the franchise license from Dick and Mac in Des Plaines, Illinois. Kroc eventually bought out the McDonald brothers' shares and oversaw the company's global expansion. McDonald's shares went public in 1965.

Kroc's combative personality clashed with the desires of the McDonald brothers. They fought over control of the corporation, and the McDonald brothers eventually left it.

McDonald's relentless development around the world has made it a symbol of globalization and the spread of the American lifestyle. By 2004, McDonald's had 30,000 locations globally, with an average of 50 million consumers and 1,700 visits per store every day.

1.1.2. Development of McDonalds in Indonesia and Semarang

McDonald's commenced its operations in Indonesia in 1991, marking its 70th country of establishment within the global franchise network. H. Bambang N. Rachmadi, M.Sc., MBA, became the first Indonesian citizen to secure the master franchise rights from McDonald's Corporation after prevailing over 13,000 competitors, backed by a capital of 4 billion Rupiah. The franchising program of McDonald's Indonesia aligns with the government's initiative for the development of resilient small entrepreneurs, in compliance with Law No. 9 of 1995 on small enterprises.

Before inaugurating his inaugural restaurant in Sarinah Thamrin Jakarta, H. Bambang N. Rachmadi, M.Sc., MBA, underwent a one-year training program in Australia, Malaysia, the United States, and Singapore, engaging in various tasks at McDonald's restaurants ranging from the most rudimentary to managerial roles. McDonald's first restaurant in Sarinah Thamrin Jakarta commenced operations on February 22, 1991, employing 460 staff members and 26 managers.

Over an 11-year period, the expansion of McDonald's in Indonesia was rapid, reaching 82 restaurants with 8,000 employees by December 2001. By the end of 2017, the number of McDonald's outlets in Indonesia had reached 177. On December 20, 2015,

McDonald's opened a new branch in Semarang in Majapahit to be exact, aiming to provide diverse dining and leisure options for the local community. McDonald's Majapahit Semarang was established in March 2015, located at Jalan Brigjend Sudiarto no. 326-C, Majapahit, Semarang City. In addition to its strategic location, McDonald's. Notably, McDonald's Majapahit has become a landmark with the highest revenue in Semarang city.

The new McDonald's branch in Majapahit added to the dining options available to both residents and visitors, offering a range of facilities and amenities for their comfort and enjoyment.

1.1.3. Company logo

Image 2.1 McDonald Logo
Source: www.Mcdonald.com

McDonald's famous trademark consists of 2 yellow arches, which are frequently displayed outside their restaurants and are easily identifiable to the general public. Surprisingly, the letter "M" in the McDonald's logo symbolizes a pair of mother's breasts, representing the first source of nourishment for nearly every human. This fact came to light in the 1960s when the company contemplated redesigning its logo. However, design consultant and psychologist Louis Cheskin advised McDonald's against changing it. Cheskin successfully convinced McDonald's to retain its Golden Arches, as

they were not only crucial to brand identity but also played a role in attracting customers.

1.1.4. Vision and Mission

Every company definitely has goals or ideals that it wants to achieve so that the company's existence continues to be maintained in the business world. Importance the vision and mission for an organization is to be directed so that it is expected can survive for a long time, progress, and continue develop.

A. Vision

McDonald's aim is to be the world's best fast-food restaurant, offering exceptional service. To achieve this vision, McDonald's continually assures product quality, provides enjoyable service, offers food safety and security, and adds value. McDonald's prioritizes client satisfaction.

B. Mission

1. Becoming the most excellent employer for all of our employees in every town throughout the world.

2. To provide great operating systems for every client at every McDonald's location.

3. Ensure brand profitability and improve operational systems through innovation and technology.

1.1.5. Company Activities

McDonald's Indonesia has expanded its presence to 18 cities and 11 provinces across Indonesia. With a total workforce of 8,000 employees, each with an average tenure of over 5 years, the company benefits from skilled and experienced staff capable of leveraging technology to enhance production processes. The utilization of computerized systems, such as the Mcpay attendance system, ensures efficient monitoring of employees' productive

working hours, serving as a basis for evaluation during monthly manager meetings. McDonald's operates on a shift-based system, with each shift lasting 7 to 9 hours, starting from 7:00 AM for the morning shift and ending at 11:30 PM for the night shift. Operational activities in each store are divided into seven sections known as the "seven systems."

A. Ordering System

- Responsible for all aspects related to ordering necessary ingredients and supplies for the store, including food, beverages, and other items.

- Orders are placed three times a week, specifically on Mondays, Wednesdays, and Fridays.

B. Scheduling System

- Tasked with creating daily work schedules for employees from the store's requirements, ensuring the right number of staff without shortages or excess.

C. Training System

- Responsible for organizing training activities, including scheduling, budgeting, and selecting trainers, especially for new product training.

D. Payroll System

- Responsible for accurately calculating employees' bi-weekly salaries to avoid errors.

E. Crew Welfare System

- Ensures the welfare of employees, emphasizing the importance of the company's concern for their well-being beyond just utilizing their labor.

F. Maintenance and Repair System (M&R)

- Manages equipment maintenance and repairs within the restaurant to promptly address any issues that arise.

G. Local Store Marketing System (LSM)

- Focuses on providing high-quality services to enhance sales of McDonald's products, including a variety of burgers, fried chicken, french fries, spaghetti, nuggets, soups, desserts, and beverages.

These systems collectively contribute to the efficient operation and management of McDonald's stores, ensuring customer satisfaction and business success.

1.1.6. Organizational Structure

McDonald's utilizes a line organizational structure. Within this framework, directives run from the Store Manager to the 1st Assistant Manager, then to the 2nd Assistant Manager, the Junior Manager, Trainee Manager, Crew Leader, and lastly to the Crew at the lowest level. Aside from this line, there are other positions such as STAR, C/S, and VIP, which report directly to the store manager. The Store Manager, in turn, reports to the Operations Consultant. The Operations Consultant is in charge of reporting to the Operations Manager, who then reports to the Head Office in Jakarta. This hierarchical arrangement ensures a clear chain of command and accountability within the organization.
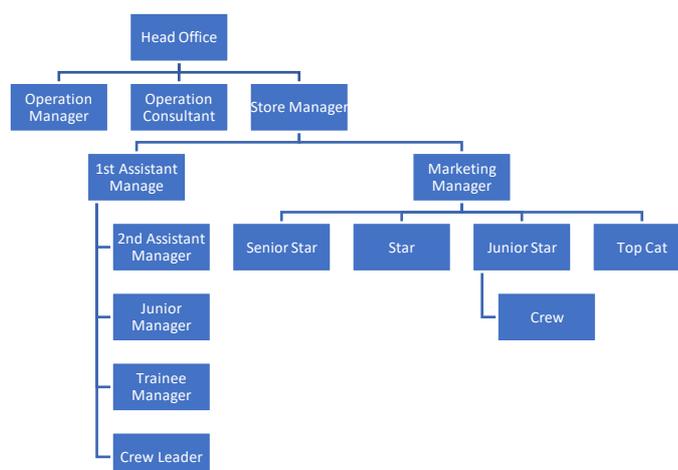

Image 2.2 McDonald Organization Structure
Source: www.Mcdonald.com

1.1.7. Locations

Location is where a business or business activity takes place. It is a crucial factor in the development of a business, considering its proximity to urban areas, accessibility, and travel time to the destination. Below are the few locations of McDonald's in Semarang City:

1. McDonald's Citraland Semarang:
   - Address: Ground Floor, Jl. Simpang Lima Raya No. 1 Semarang 50242
   - Phone: +62 24 3554334
   - Mobile: +628111927347
   - Hours: 24 hours (Monday - Sunday)

2. McDonald's ADA Swalayan Setiabudi Semarang:
   - Address: Jl. Setiabudi No. 221 – 225 Semarang
   - Phone: +62247460091
   - Hours: 07:00 - 22:00 (Monday - Sunday)

3. McDonald's Pandanaran Semarang:
   - Address: Jl. Pandanaran No 44, Semarang
   - Phone: +62 24 8455985
   - Mobile: +628111927693
   - Hours: 24 hours (Monday - Sunday)

4. McDonald's Java Supermall Semarang:
   - Address: Jl Letjen MT Haryono No 992-994 Semarang
   - Phone: (024) 8410025
   - Hours: Close 23.00 (Monday-Sunday)

5. Brigjend Sudiarto 316 B-C Majapahit:
   - Address: Jl. Brigjen Sudiarto No.326 B-C, Palebon, Kec.Pedurungan, Kota Semarang, Jawa Tengah 50246
   - Phone: + (021) 14045
   - Hours: 24 hours (Monday-Sunday)

6. McDonald's Sambiroto Semarang

- o Address: Jl. Kompol R Sukanto No.48, RT.11/RW.03, Sambiroto, Kec. Tembalang, Kota Semarang, Jawa Tengah 50276
- o Phone: 0811-3240-161
- o Hours: 24 hours (Monday-Sunday)

7. McDonald's Tentara Pelajar Semarang

- o Address: Jl. Tentara Pelajar No.32, Lamper Kidul, Kec. Semarang Sel., Kota Semarang, Jawa Tengah 50249
- o Phone: 0811-3240-151
- o Hours: 24 hours (Monday-Sunday)

8. McDonald's Pamularsih Semarang

- o Address: Jl. Pamularsih Raya No.54, Salamanmloyo, Kec. Semarang Barat, Kota Semarang, Jawa Tengah 50148
- o Phone: -
- o Hours: 24 hours (Monday-Sunday)

9. McDonald's Ngaliyan Semarang

- o Address: Jl. Prof. Dr. Hamka No.105, Ngaliyan, Kec. Ngaliyan, Kota Semarang, Jawa Tengah 50181
- o Phone: 0811-9393-344
- o Hours: 24 hours (Monday-Sunday)

1.1.8. McDonald Menu

McDonald's in Indonesia offers a diverse menu tailored to local tastes while also featuring popular international items. Below is a detailed overview of the menu:

A. Burgers:

- o McDonald's Burger: Classic beef burger with lettuce, onions, pickles, and special sauce.
- o Cheeseburger: McDonald's burger with a slice of cheese added.

- o Big Mac: Legendary double-decker burger consisting of two beef pats, specialty sauce, lettuce, cheddar cheese, pickles, plus onions atop a sesame seed bun.
- o McChicken: Chicken patty with lettuce and mayonnaise in a sesame seed bun.
- o Spicy Chicken McDeluxe: Spicy chicken patty with lettuce, tomato, cheese, and special sauce.
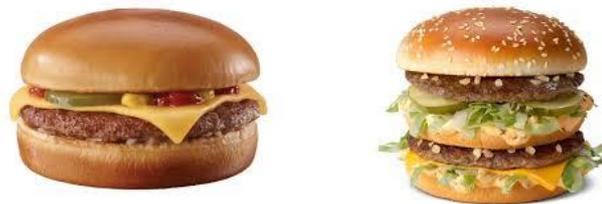

Image 2.1 McDonald's Burgers
Source: www.McDonald.com

B. Chicken:
- o McNuggets: Bite-sized chicken nuggets served with dipping sauce.
- o McWings: Chicken wings seasoned and fried to perfection.
- o Ayam Goreng McD: Indonesian-style fried chicken with aromatic spices.

Image 2.4 McDonald's Chicken menu's
Source: www.McDonald.com

C. French Fries:
- o French Fries: Classic golden fries seasoned with salt.

o Shake Shake Fries: French fries served with a choice of seasoning powder to shake and coat.

Image 2.5 McDonald's French Fries

Source: www.McDonald.com

D. Desserts:

o Sundae: Vanilla soft-serve ice cream topped with chocolate, caramel, or strawberry syrup.

o McFlurry: Soft-serve ice cream blended with various toppings such as Oreo, Kit Kat, or M&M's.

o Apple Pie: Flaky pastry filled with warm, spiced apple filling.

Image 2.6 McDonald's McFlurry

Source: www.McDonald.com

E.Beverages:

o Soft Drinks: Coca-Cola products including Coke, Sprite, and Fanta.

o Iced Tea: Refreshing iced tea available in various flavors.

Image 2.7 McDonald's Soft Drink

Source: www.McDonald.com

F. Breakfast:

o Egg McMuffin: English muffin filled with egg, cheese, and choice of bacon or sausage.

o Hotcakes: Fluffy pancakes served with butter and syrup.

o Sausage McMuffin: English muffin with savory sausage patty and cheese.

Image 2.8 McDonald's Breakfast Menu's

Source: www.McDonald.com

G. Specials:

o Nasi Uduk McD: Fragrant coconut rice served with fried chicken, egg, and sambal (spicy chili paste).

o McSpicy: Spicy chicken burger with lettuce and mayonnaise.

Image 2.9 McDonald's Nasi Uduk

Source: www.McDonald.com

H. McCafe:

o Coffee: Various coffee options including espresso, latte, and cappuccino.

o Frappe: Blended coffee drinks available in different flavors.

Image 2.10 McDonald's Coffee and Frappe

Source: www.McDonald.com

This diverse menu caters to a wide range of preferences, blending McDonald's signature items with local Indonesian flavors and specialties.

1.2. RESPONDENT IDENTIFICATION

Respondent characteristics are used to describe the identity of the research object that is the research sample. The respondents used in this research are consumers of McDonalds in Semarang who bought McDonalds products by Self-Service Technology and services at least 3 times in the last 3 months. The respondents selected were 100 people aged

minimum of 17 years old being a worker or student by filling in a questionnaire that had been distributed. Respondents can be classified from gender, age, geography of location, and income as determined by the sample analysis results.

1.2.1. Respondents From Gender

There are 2 (two) categories of respondents' characteristics from gender, namely men and women. According to the total number of respondents, the characteristics of respondents by gender vary as follows:

Table 2.1 Gender of the respondent

No.	Gender	Amount	Percentage(%)
1	Men	38	38%
2	Woman	62	62%
Total		**100**	**100%**

Source: processed data, 2024

1.2.2. Respondents From Age

Respondent characteristics varied with age, ranging from 20 to 61. According to the total respondents, the age groups are separated into 17-22, 23-28, 29-34, and so on, as shown in the table below:

Table 2.2 The age of the respondent

No.	Age	Amount	Percentage (%)
1	17 – 22	45	45%
2	23 – 28	21	21%
3	29 – 34	6	6%
4	35– 40	5	5%
5	41 – 46	5	5%
6	47- 52	8	8%
7	53 – 58	7	7%
8	59 - 64	3	3%
	TOTAL		**100**

Source: processed data, 2024

Bases on the Table 2.2 reveals that the vast majority among McDonald's consumers who were respondents in this research were in the age range 17 - 22 years, totaling 45 respondents. Then

followed by the age range 23 – 28 with 21 respondents. Age range of 29 – 34 with 6 respondents. Followed by 35-40 age range and 41-46 age range both with 5 respondents, 47-52 age range with 8 respondents, 53-58 with 7 respondents and finally age 59-64 with just 3 respondents.

1.2.3. Respondent From Location

Respondents are classified by location into 16 subdistricts in Semarang City namely: Candisari, Genuk, Mijen, Pedurungan, Semarang Selatan, Semarang Utara, Tugu, Banyumanik, Gayamsari, Tembalang, Semarang Timur, Gunungpati, Semarang Barat, Ngaliyan, Gayamsari, and Gajahmungkur. According to the total respondents, the characteristics of respondents by region are as follows:

Table 2.3 Respondent Location

No.	Location	Amount	Percentage (%)
1	Banyumanik	3	3%
2	Candisari	1	1%
3	Gajahmungkur	9	9%
4	Gayamsari	6	6%
5	Genuk	3	3%
6	Gunungpati	1	1%
7	Mijen	2	2%
8	Ngaliyan	2	2%
9	Pedurungan	4	4%
10	Semarang Barat	10	10%
11	Semarang Selatan	2	2%
12	Semarang Tengah	1	1%
13	Semarang Timur	3	3%
14	Semarang Utara	2	2%
15	Tembalang	44	44%
16	Tugu	7	7%
	TOTAL	100	100%

Source: processed data, 2024

According to Table 2.4, the vast majority of McDonald's customers who become respondents in this research mostly live in Tembalang subdistrict namely 44 respondents and followed by Semarang Barat districts namely 10 respondents.

1.2.4. Respondent From Income

Income-related characteristics of respondents are classified into five categories: <Rp1.000.000, > Rp 1.000.000, > Rp2.000.000, > Rp3.000.000, and >Rp4.000.000. In accordance on the total respondents, the characteristics of respondents depending on their monthly income are as follows:

Table 2.3 Respondent Income

No	Income	Amount	Percentage (%)
1	< Rp 1.000.000	12	12%
2	> Rp 1.000.000	18	18%
3	> Rp2.000.000	23	23%
4	> Rp3.000.000	10	10%
5	> Rp4.000.000	37	37%
	TOTAL	**100**	**100%**

Source: processed data, 2024

Table 2.4 shows that the vast majority of McDonalds purchasers (37 respondents) had an income of >IDR 4.000.000.