A Study of Changes in McDonald's Consumer Behaviour during Pandemic

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ABSTRACT

The objective of the study is to examine the changes in McDonald's consumer behavior during the pandemic. In 2020, the pandemic of COVID-19 has spread throughout the world. COVID-19 brought negative effects to businesses including McDonald's and altered consumer behavior. Questionnaires are distributed to the respondents to collect information about their consumption behavior in McDonald's. This study has included the change in frequency of patronizing McDonald’s, the preferred service mode to order McDonald's, and the preferred payment method during the pandemic. The result shows that McDonald’s changed their service and payment method using delivery services and cashless payment methods. Future research can construct similar findings in the new background like different countries and cultures as well.

Keywords: Consumer Behaviour, Frequency, McDonald's, Payment, Service Mode.
INTRODUCTION

McDonald’s is a well-known of the largest franchise fast food companies around the world. This is because McDonald’s not only provides fast food to customers but also a lot of elements that improve their customer satisfaction. For example, most of the McDonald's franchises do have Drive-Thru and food delivery apps that provide convenience for their customers and save their time. Besides that, McDonald's does not focus on services only but also focuses on product quality, price, and environment. It has provided high-quality products to its customers that adhered to safety and food quality standards. However, McDonald’s is facing a challenge during the pandemic of COVID-19 which is the dropping sales. There are some recommendations for McDonald’s to boost their sales during the pandemic by using 4P’s marketing strategy (Armstrong & Kotler, 2019, p.198).

History of McDonald’s

McDonald's Corporation is an American hamburger and one of the most well-known fast-food restaurant chains in the world (Reiff, 2020). In 1940, McDonald’s was a barbecue restaurant. McDonald’s was established by two siblings, Richard and Maurice McDonald called Dick and Mac. In 1940, they successfully operated the first McDonald’s drive-in restaurant on E-streets and Fourteenth in San Bernardino, California. In 1948, they utilized production line principles to reorganize their business as a hamburger stand. There were a few items on the menu which are hamburgers, cheeseburgers, soft drinks, coffee, and potato chips. The 15cent hamburger was the basic component of the menu. In 1949, French fries replaced potato chips and became the top-selling item of McDonald’s today.

Raymond Albert Kroc is also known as Ray Kroc was an American businessman. In 1955, he joined the company McDonald’s and drove McDonald’s to become a successful fast-food operation in the world. The two siblings, Richard and Maurice McDonald purchased equipment from the salesman called Ray Kroc who was the distributor for Milkshake Machines for their hamburger restaurant. In 1950, they owned and operated a hamburger restaurant in San Bernardino, California. Ray Kroc was interested in McDonald’s Business because he heard how well his Multimixers were used by the McDonald brothers to serve their customers. He met with them and finalized a deal with Mc Brothers as a franchise agent to operate McDonald’s restaurants in 1954. Ray Kroc established a franchising company called McDonald Inc. In 1961, he bought out Mc Brothers’ share for $2.7million and rename the company McDonald’s Corporation (Britannica, 2020).

The art of "cultural correctness" was created by Bakshi, the founder of the world's first beefless McDonald's outlet in south Delhi, India on October 18, 1996 (Tanwar, 2019). In Malaysia, YBhg Tan Sri Vincent Tan opened the first McDonald’s in Bukit Bintang, Kuala Lumpur on April 29, 1982. Halal certification was first received by McDonald’s in Malaysia to fit with the culture of Muslim consumers. Besides, the first McDonald’s opened in Kota Bharu in 1993 while the first McDonald’s Drive-Thru opened at Wakaf Cheh, Kota Bharu in December 2009. The first branch of McCafe was opened in April 2014 at Pengkalan Chepa, Kota Bharu.

The items that are sold in McDonald’s include French fries, hamburgers, fried chicken, breakfast packages, desserts, and soft drinks. McDonald’s has changed their menu after facing problems with the unhealthy nature of its foods. The menu
that was added included fish in their burger, salads, and fruits in their desserts. The menu from McDonald’s in India is McVeggie, Veg McCurry, PanChicken McGrill, Chicken Maharaja Mac, and so on. However, McDonald’s Corporation's revenues come from royalties, rent, and fees as well as sales in restaurants that started operating.

The brand mission of McDonald's is to provide customers with a favorite location to eat and drink. McDonald's operations are focusing on a global strategy to continue developing customers' experience. The vision of Ray Kroc is to have thousands of McDonald's restaurants in the United States. Ray Kroc introduced a business model known as “The Three-Legged Stool” which implies that the three partners of them are equally important to make McDonald’s to be successful. In 1967, McDonald’s expanded into international markets. From 2003 to 2008, McDonald’s organized an international campaign called “I’m Lovin’ it”. Now, McDonald’s has over 36,000 restaurants in over 100 nations (McDonald, 2020).

Products and Services of McDonald’s

McDonald’s is the biggest fast-food restaurant in the world, which offers a unified menu. The basic menu of McDonald’s includes various flavors of burgers and fried chicken, best-tasting French fries, soft drinks, desserts, etc. Nevertheless, McDonald's has designed special menus for different regions. When designing a new menu, McDonald’s always considers the local culture and associates it with the new menu. For example, McDonald's in India offers Dosa Masala Burger which Dosa is originating from South India, Nasi Lemak McD in McDonald’s Malaysia as nasi lemak is the most popular “national dish” (Lovefood, 2020). As a result, these special menus have achieved good results in the region and are loved by the local consumers. Besides, McDonald’s also sells a variety of quality foods during a limited promotional period. For instance, a series of prosperity burgers will only be sold in Malaysia during the Lunar New Year period. Moreover, McDonald's is also constantly innovating on its menu, and the new menu often causes an upsurge in the market. As people nowadays start to realize the importance of breakfast, McDonald’s includes breakfast items in their menu with nutritious food which can fit into balance. Now, McDonald's no longer just sells fast food but also coffee and bakery with the opening of McCafe. Therefore, customers can enjoy high-quality coffee at an affordable price in McCafe. In addition, to provide a variety of foods for consumers to choose from, McDonald's also provides many fast and friendly services (UKEssays, 2018). As a fast-food restaurant, McDonald’s always serves its customers within minutes from ordering until they get their food. To make customers’ experience even better, McDonald’s offers friendly service. Furthermore, McDonald’s provides free Wi-Fi to customers to stay connected while they are dining. McDonald’s Play Place is provided to kids so that they can have a fun time and play in a safe environment.

The Drive-thru facility at McDonald’s is prepared to serve customers faster and easier. Customers who want to take away can order food faster and conveniently. Apart from that, considering that some customers may encounter some troubles when going to McDonald’s, such as no transportation or busyness. Thus, McDonald’s provides delivery service. McDelivery offers quick delivery to everywhere with a little charge. It also cooperates with a third party to provide a delivery service. Surely, McDonald’s is a company that keeps pace with time. With
the continuous advancement of technology, McDonald’s provided electronic kiosks for customers to order food by themselves (UKEssays, 2018).

McDonald’s serves a large number of customers on daily basis. Customers always choose to purchase something that meets their needs and satisfaction, otherwise, they will purchase an alternate product. However, McDonald’s cannot satisfy the needs of all customers. Thus, McDonald’s divides the market into segments based on demographic variables age, and lifestyle. In this half-century, McDonald’s has a more targeted general market (UKEssays, 2018). For instance, Happy Meal is a set of fast food with a toy that is specially prepared for the young customer.

SWOT Analysis for McDonald’s

McDonald’s strength is focused on a wide range of product development. To meet the customers’ needs, McDonald’s offers an attractive and multiple-choice menu to customers as their preferences always change from time to time. Moreover, McDonald’s plays an important role in the international market where franchisees operate in 120 countries. Global existence allows McDonald’s to diversify its food menu (Singh, 2020). For weaknesses, McDonald’s as a fast-food restaurant sells some high-calorie foods like fried chicken and French fries (Singh, 2019). These foods are often categorized as unhealthy foods. This will reduce McDonald’s turnover and affect its reputation. Besides, the dividend growth rate that has been reduced may make the investor opt out of McDonald’s.

McDonald’s put a lot of effort into innovating new products. This will retain the current customers and attract potential customers as well. McDonald’s can maintain its charm for a long period by launching new innovative foods according to geography and culture. Last but not least, McDonald’s threat is a healthy lifestyle trend (Singh, 2020). There are more and more health-conscious customers in the market. They preferred to have healthy meals compared to fast food because fast food was categorized as an unhealthy food that causes obesity.

LITERATURE REVIEW

The purpose of the study is to examine the changes in McDonald's consumer behavior during the pandemic COVID-19 has brought a lot of effects from the aspects of the economic, psychological, social, and so on. A consumer is a person who makes purchases to meet his/her needs (Kumar, Bezawada, Rishika, Janakiraman & Kannan, 2015). Behaviour is the way in which the living organisms adapt themselves to the environment through modification or changes for survival (Han et al., 2015). In the context of consumer behavior, it can be defined as the direct and indirect behaviors shown in a specific place and time when the consumers acquire goods or services (Moon, Park, & Kim, 2015). According to Sin et al. (2021), consumer behavior is the study of consumers and the processes they use to choose, apply and dispose of products and services, including consumers' emotional and behavioral responses. Meanwhile, Wilkie (1994) defined consumer behavior as “the mental, emotional and physical activities that people engage in when selecting, purchasing, using and disposing of products and services so as to satisfy needs and desires”.

Pandemic is widespread of a contagious disease throughout a wide region at the same time (Honigsbaum, 2009). The generally accepted definition of pandemic
according to the Dictionary of Epidemiology is “an epidemic occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people” (Harris, 2000). In the past, there are also some pandemics met by humans such as severe acute respiratory syndrome (SARS), H1N1, and Ebola.

Consumers become more careful in making their purchase decision and reduce their consumption when facing a crisis (Ang, Leong, & Kotler, 2000). The consumers changed their behavior because they felt the economic and social implications of the pandemic such as the rising unemployment rate (Sharma & Sonwah, 2013). Therefore, they tend to buy less luxury and more necessities to save money. It is estimated that over half of the restaurants might shut down during the pandemic (Severson & Yaffe-Bellany, 2020) as the customers are reducing their visits to the restaurants to stay away from people (Kim & Lee, 2020, p. 67). Consumers show avoidance behavior such as increasing social distance from others due to the anxiety caused by the pandemic (Elliot, 2006).

This study has included the change in frequency of patronizing McDonald’s, the preferred service mode to order McDonald’s, and the preferred payment method during the pandemic. Consumers, especially the elder discovered the benefits of certain services they had never used before such as deliveries and cashless payment because their safety is secured in the situation (Pantano, Pizzi, Scarpi, & Dennis, 2020, p. 210). For instance, an online retailer in China has recorded an increase of 237% of users above 40 years old (Fan, 2020). A lot of people chose to order the meals through deliveries instead of eating out due to the fear of infecting COVID-19 (Kim, Kim, & Wang, 2021, p. 3). In India, food delivery applications become one trend for well-informed people because it is easier to download by using gadgets and ordering food in a short time. Besides that, food delivery applications are easier for the city with increasing communities and people who dislike stepping to the outside and are more likely to save their time for sanitization (Gupta, 2019, p. 5).

During the lockdown, the usage of electronic transactions has surged to decrease the visit to the bank (Balch, 2020). Khanra, Dhir, Kaur, and Joseph (2021) studied the causes of adopting mobile payment services by consumers during the pandemic, and they found that mobile payment services have become the norms during this pandemic and it was the same for the late adaptors. The reason for being indifferent to which payment method they would choose might be that people usually pay a bill at the restaurant and they think cash is an easier way of splitting the amount of money that has to be paid. Thus, convenience is an important factor when choosing the payment method (Firlej & Dyka, 2020, p.1). However, changes in the economy had affected consumer behavior in the financial market. Recent years have furnished many opportunities for the development of payment methods. It is necessary to analyze the factors influencing the choice of payment method when there are changes in the payment method (Swiecka, Terefenko, & Paprotny, 2020, p.11).
RESEARCH METHOD

Primary and secondary data are collected for the research purpose. Secondary data including information regarding this study is gathered using the Internet. The Internet is a powerful information searching engine that helps to gather relevant information regarding this study. The facts about McDonald’s are collected from its official website.

Primary data is collected by the researchers through quantitative research methods to collect data specified for this study as it can reach more respondents in a shorter period. As the complete list of the population of McDonald’s customers is unable to be accessed, the complete data is unknown and there is no equal chance for everyone to be selected (Albert, Tullis, & Tedesco, 2010, p. 43). Therefore, the researchers chose non-probability sampling to collect data as it is convenient, not time-consuming, cheap, and easy to reach the respondents (Etikan, Musa, & Alkassim, 2015). Convenience sampling has been utilized to collect the data from the respondents which is the easiest to be reached by the researchers (Tansey, 2007, p. 769).

A questionnaire with single-choice, multiple-choice, and open-ended questions is developed and distributed to respondents through social media to investigate the changes in McDonald’s consumer behavior during the pandemic. Demographic questions are presented in the first part of the questionnaire such as nationality, age, and employment status. The second part of the questionnaire consisted of questions regarding consumer behavior such as the change in frequency of visiting McDonald’s, preferred service mode to order McDonald’s, preferred payment method during the pandemic, and consumers’ recommendations for McDonald’s. A total of 106 responses were received. The data is checked for any missing data before analyzing.

The collecting data are presented in tables. As the data collected are nominal categorical data, the model is used for analysis. On the other hand, the mean cannot be used to analyze the nominal categorical data because the numbers did not have any real meaning (Statistics Solution, 2020).

RESULTS

| Table 1. Summary of Respondents’ Demographics (N=106) |
|----------------|----------------|----------------|
|                | Frequency      | Percentage     |
| Nationality    |                |                |
| India          | 44             | 41.50%         |
| Malaysia       | 62             | 58.50%         |
| Age group      |                |                |
| Below 18 years old | 2             | 1.90%          |
| 18-24          | 96             | 90.60%         |
| 25-39          | 7              | 6.60%          |
| 40-60          | 1              | 0.90%          |
| Above 60 years old | 0             | 0%             |
| Employment status |              |                |
A total of 106 respondents have participated in this questionnaire. Among 106 respondents, most of them are Malaysians (58.50%) followed by 41.50% of Indians. For the age group, the majority of the respondents are between 18 and 24 years old which is 96 respondents (90.60%). Then, most of the respondents are unemployed (80.20%). Moreover, almost all of the respondents have visited McDonald’s before which is 94.30%.

**Table 2. Summary of the McDonald’s consumer behavior before and during the pandemic**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The change in frequency of patronizing McDonald's during the pandemic compared to the past</strong></td>
<td></td>
</tr>
<tr>
<td>Increase</td>
<td>73</td>
</tr>
<tr>
<td>Decrease</td>
<td>27</td>
</tr>
<tr>
<td><strong>Preferred service mode to order food from McDonald's before the pandemic</strong></td>
<td></td>
</tr>
<tr>
<td>Dine-in</td>
<td>70</td>
</tr>
<tr>
<td>Takeaway</td>
<td>33</td>
</tr>
<tr>
<td>Drive-Thru</td>
<td>44</td>
</tr>
<tr>
<td>Delivery apps</td>
<td>19</td>
</tr>
<tr>
<td>McDonald's mobile app</td>
<td>19</td>
</tr>
<tr>
<td><strong>Preferred service mode to order food from McDonald's during the pandemic</strong></td>
<td></td>
</tr>
<tr>
<td>Dine-in</td>
<td>17</td>
</tr>
<tr>
<td>Takeaway</td>
<td>43</td>
</tr>
<tr>
<td>Drive-Thru</td>
<td>46</td>
</tr>
<tr>
<td>Delivery apps</td>
<td>50</td>
</tr>
<tr>
<td>McDonald's mobile app</td>
<td>19</td>
</tr>
<tr>
<td><strong>Preferred payment method before the pandemic</strong></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>64</td>
</tr>
<tr>
<td>Credit cards/Debit cards</td>
<td>25</td>
</tr>
<tr>
<td>E-wallet</td>
<td>11</td>
</tr>
<tr>
<td><strong>Preferred payment method during the pandemic</strong></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>21</td>
</tr>
<tr>
<td>Credit cards/Debit cards</td>
<td>36</td>
</tr>
<tr>
<td>E-wallet</td>
<td>43</td>
</tr>
</tbody>
</table>

Since there were 6 respondents who have never visited McDonald’s before, the change in consumer behavior is not applicable to them. Therefore, only data of the 100 respondents who had visited McDonald’s before is analyzed. According to Table 2, 73% of respondents have decreased their frequency of patronizing McDonald’s compared to the time before the outbreak of COVID-19 while 27
respondents have increased their frequency of visiting or ordering from McDonald’s.

**DISCUSSION**

The frequency of patronizing McDonald’s during the pandemic has reduced due to several factors. Firstly, the world economy undergoes a downturn due to the COVID-19. Both Malaysia and India have gone into lockdown to control the spread of COVID-19 among the people. The economic activities have been restricted during this period and most the businesses have suffered from a tough time. Businesses that are not in critical fields such as the medical field are prohibited to operate in both Malaysia and India during the lockdown. Therefore, the businesses did not earn any income but still need to pay the salary of employees. Some of the businesses choose to shut down or lay off employees while some might reduce the wages of employees to cut down their expenses. The financial crisis was so severe particularly in India due to the lockdown. A lot of people either lost their jobs or suffered a salary cut during the pandemic of COVID-19. Even though the lockdown conditions have been eased for now but the economy is still in a sluggish condition and requires a long period to recover. Consequently, many people chose to reduce their visits or order to McDonald’s to reduce their living expenses due to the reduced income.

Then, the pandemic of COVID-19 has evoked people’s awareness of a healthy lifestyle. Consumers have reduced their consumption of fast food such as McDonald’s which is unhealthy and shifted towards consuming home-cooked foods that are much healthier and cleaner. This is because the consumption of fast food might increase the risks of infecting diabetes, cardiovascular diseases, and so on. Moreover, the patients with these non-communicable diseases who are tested positive for COVID-19 have a higher fatality rate (Donnelly, 2018). Therefore, more people cook their own foods and consume more fresh and healthy food to boost their immunity and lower the risk of infecting COVID-19 (Arshad et al., 2020, p. 3971).

According to Table 2, the preferred service mode during the pandemic underwent a drastic change. Before the pandemic of COVID-19, the mode of preferred service mode was dine-in (70%) whereas the mode of preferred service mode during the pandemic of COVID-19 was delivery apps (50%). The number of respondents who preferred dine-in has decreased by 75.71% while the number of respondents who preferred delivery apps has increased by 160.16%. Moreover, the model of preferred payment method was cash (64%) before the pandemic of COVID-19 whereas the mode of preferred payment method during the pandemic of COVID-19 was E-wallet (43%). The number of respondents who preferred using an E-wallet to pay (43%) has increased sharply during the pandemic followed by credit cards or debit cards (36%). Next, an increase of 290.91% in the number of respondents who preferred E-wallet payment during the pandemic was recorded. Nonetheless, the number of respondents who preferred cash payment during the pandemic has decreased by 64.19%.

The number of consumers who preferred dine-in decreased enormously whereas the number of consumers who preferred delivery apps rose significantly. On the other hand, the number of consumers who preferred using cash in transactions in
McDonald’s declined sharply while the number of consumers who preferred using e-wallets increased significantly. The reason that the preferred method service mode in McDonald’s and preferred payment method have changed drastically to contactless service mode and cashless payment method is to lower the risk of infecting COVID-19. Since COVID-19 can be prevented by practicing social distance, so the consumers try to minimize their contact with others wherever possible. The consumers avoid dine-in to avoid crowded places as proposed by the Ministry of Health Malaysia because it might expose them to the COVID-19. The usage of cash has been minimized as the virus of COVID-19 will cling to and remain infectious on the surface of the banknotes and then transmit the COVID-19 according to the research of the Australian Centre for Disease Preparedness. Therefore, the consumers are advised to wash their hands after touching the banknotes (Gale, 2020).

Besides, it is convenient to use contactless service mode and cashless payment method. Consumers prefer delivery apps during a pandemic because they do not need to wait for a long time in the physical stores. Consumers only need to order at McDonald’s through their mobile phones and then wait for the riders to serve their food. The delivery service is also a good choice to order McDonald’s during the lockdown as the people are required to stay at home if no emergency or urgent matters occur. Moreover, the consumers need to take a shower after going outside to sanitize themselves. Therefore, with the contactless delivery provided, the consumers can enjoy their McDonald’s without stepping to the outside and thus save their time for sanitization. Using an e-wallet in a transaction is also convenient because the consumers can complete the transactions with only one tap (Gia & Pham, 2016, p. 252). Consumers do not need to bring their real wallets with notes and coins inside, but they are able to pay with their mobile phones. The promotions on the platform also stimulate the intention of consumers to use e-wallets (Hashim, 2019).

Furthermore, the government encouraged the people to use a cashless payment method (Aji, Berakon, & Md Husinet, 2020, p. 3). For instance, the government of Malaysia has introduced the ePENJANA program where adults above 18 years old will receive RM50 e-wallet credit. This incentive aimed to encourage the spending of the consumers and stimulate economic recovery. In India, the National Payments Corporation of India (NPCI) also advised India’s communities to use cashless payment methods to reduce contact with the others (ET Government, 2020). Therefore, the consumers are encouraged to use the E-wallet and then persist in their usage because they trust the government that the usage of E-wallet is one of the ways to combat the spread of COVID-19 effectively (Aji et al., 2020, p. 5). Government India has launched some cashless payment modes like Unified Payment Interface (UPI), Immediate payment Service (IMPS), and Real-Time Gross Settlement (RTGS) (Gera, 2020). At the same time, the Reserve Bank of India allowed tap-and-go functionality on card payment for all purchases at retail stores and shopping malls by using payment networks. It is aimed at making transactions safer and contact-free during pandemics (Srinivasa, 2020).

This result has illustrated that consumer behavior is changed during the pandemic of COVID-19 and thus the business should also change their behavior or ways of doing business to adapt themselves to the new norms brought by COVID-19. The company should analyze the situation and make a decision quickly for a change.
This is because the company could do nothing except for waiting for the situation to revert to a normal situation. A change is required in order to survive the crisis. Otherwise, the business will be challenged by the market. For instance, the Food and Beverage business should cooperate with a third-party delivery platform to serve their customers as the customers are reducing their frequency of eating out. If the business retains its traditional mode of doing business that only provides dine-in, the customers will switch to its competitors.

Besides, the results reveal that the number of consumers who preferred using cashless payment methods, especially E-wallets has increased during the pandemic, but it did not increase to a large extent. Therefore, the preference of consumers might rebound to the state before the pandemic after the end of COVID-19. The underlying reason might be a lot of consumers are forced to adopt cashless payments in their lives due to the current situation. They might revert to the traditional mode of transactions using cash which is easier for them. The service providers of E-wallets should improve their systems or design to reinforce the usage intention of the consumers after COVID-19 and also attract new users. The government should provide more incentives and encouragement to accelerate the adoption of cashless payment methods among the people.

Then, the results indicate that technology plays an important role in this crisis as more customers are using contactless services modes and cashless payment methods. Companies should associate Information Technology in their course of business and find new ways to attract and retain customers. Overall, this research can be used by businesses or policymakers to understand and predict the trend of consumer behavior in the COVID-19 crisis.

The results show that most of the consumers reduced their frequency of eating out during the pandemic has confirmed the studies regarding the consumers are more cautious in their spending as the economic consequences brought by a crisis increase their intention to save money (Ang, Leong, & Kotler, 2000; Sharma & Sonwalker, 2013). Furthermore, the increase in preference for using contactless service mode and cashless payment method are shown in the results similar to the results obtained by Pantano, Pizzi, Scarpi, and Dennis (2020, p. 210) in which the elder discovered the benefits of contactless service mode and cashless payment method. The usage of cashless payment has been adopted by a majority of the consumers no matter they are the existing users or new users (Khanra et al., 2021).

McDonald’s faced lots of challenges during this pandemic but losing sales is the main concern. The global economy undergoing a downturn and the people’s awareness of a healthy lifestyle are the two causes that reduce the frequency of patronizing McDonald’s during the pandemic. There are three aspects that helped to address this study problem. McDonald’s have changed their service mode and payment method by encouraged consumers to use delivery services and cashless payment method to order from McDonald’s. Besides, the government has also encouraged the people to use a cashless payment method for making transactions. As a result, we can know before the pandemic of COVID-19, consumers preferred the dine-in service mode whereas they changed the service mode to delivery service during the pandemic of COVID-19. Consumers also preferred using an E-wallet compared to using a cash payment method during the
The three aspects had applied to increase the profit and improve McDonald’s operation.

CONCLUSION

In conclusion, the pandemic of COVID-19 does give a significant change in McDonald’s consumer behavior. Generally, the consumers decrease their frequency of patronizing McDonald’s, switching to contactless service mode and cashless payment method. The factors driving the change in consumers’ behavior include the economic depression that reduces the purchasing power of consumers and increases awareness of a healthy lifestyle. Next, the fear and concern for health and safety also encourage the consumers to stay at home and reduce their contact with others. The government support and convenience brought by the contactless service mode and cashless payment method also reinforce the consumer’s behavior during the pandemic.

Firstly, McDonald’s can expand delivery services by encouraging consumers to use their McDelivery apps. Delivery service is a key driver for McDonald’s sales during the pandemic. Recently, the consumers preferred using delivery apps by third parties such as Foodpanda, Grab Food, and Delivereat in Malaysia whereas Swiggy, UberEat, and Foodpanda in India. McDonald’s has the potential to grow its business if it expands delivery services in India and Malaysia. This is because McDonald’s in North and East India is more focused on collaboration with Swiggy and Zomato. On the other hand, only 40% of McDonald’s restaurants provide delivery services to their customers in Malaysia. There are some far-off places that may not enjoy McDelivery services or face problems such as delivery taking longer time than expected. Therefore, the increasing coverage of food delivery services can ease the customers’ buying process as most of them avoid eating out to lower the risk of infecting COVID-19.

Besides, McDonald’s can use a price reduction strategy by giving exclusive discounts or offers to their new and existing customers during the pandemic. According to the questionnaire, some respondents expressed their opinion that the price of McDonald’s products keeps rising from year to year. As a result, McDonald’s is losing some sales from middle-class and low-income customers due to the economic downturn in this pandemic. McDonald’s can consider lowering the price of all range of products during the pandemic to boost the consumption by consumers. Since the customers can save money and enjoy lower prices at McDonald’s, they are more likely to patronize McDonald’s during the pandemic. Apart from that, McDonald’s can provide more promotions when consumers use either McDelivery apps or other delivery apps. For example, McDonald’s can offer limited-time offers or free shipping vouchers with minimum purchases to their customers. It will increase the intention of customers to order from McDonald’s and improve their satisfaction with the dining experience with McDonald’s. Meanwhile, it can promote contactless service and make sure that social distance is practiced and thus decrease the risk of infecting COVID-19 by using delivery apps.

Finally, McDonald’s should put more effort into their Research and Development (R&D) for their products and services to ensure the smooth operation of McDonald’s and improve their business performance. McDonald’s should study and launch healthier menus that meet the current needs of the consumers. As the
consumers become more aware of their health, McDonald’s is able to grab a larger market share by serving more healthy but tasty products. It should diversify its menu by adopting more types and organic ingredients too. Consequently, McDonald’s can be more successful during the pandemic and in the future.

Future research suggested having a larger sample size including people of all ages and different fields. This is because a smaller sample size can only provide limited information and it may not meet the research objective. Last but not least, future research can expand finding from this particular research like focus on the cashless payment method. It may show that people nowadays prefer the cashless method even if there is no outbreak, as the respondent thinks it is convenient and encouraged by the government.

LIMITATION
There are some limitations when conducting our study. First of all, we are facing limitations in the resource. This is because pandemic Covid-19 has affected more than 220 countries around the world. However, we only collected the data from respondents in Malaysia and India. Thus, it can propose future research to solve the same study problem in a different country. Next, we are facing a limitation to a sample size of 106. This is because we are choosing the online survey method as our primary data collection method. We used the non-probability sampling method which is convenience sampling when collecting data from respondents. It may occur sampling error because the primary data was collected during the lockdown period of the pandemic. So, it could not be the generalization of findings for other countries.

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DECLARATION OF CONFLICTING INTERESTS
The authors declared no potential conflicts of interest.

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