How Organizational Structure Influences Company Success: A Case Study of Mcdonald's Global Performance

Muhammad Ghafoor Ahmadi

School of Business - Nanjing University of Science and Technology

ABSTRACT

This study looks at how McDonald's hybrid organizational structure combining global standardization with local responsiveness affects customer perceptions and satisfaction across different cultural markets. As multinational firms grow, understanding how customers view these structural decisions becoming more important, not just how they affect internal efficiency or profits. This study examines whether customers notice and value how a firm is organized, a viewpoint that is generally absent in existing literature, which concentrates on internal efficiency and financial performance while ignoring customer perspectives. This study fills three gaps: a lack of customer perception studies, a Western bias in previous research, and limited focus on experiential outcomes. To explore this, the study used a mixed-method approach, combining primary survey data from 133 international students with secondary sources such as McDonald's annual reports and peer-reviewed case studies. Quantitative analyses, including correlation and regression, tested four hypotheses examining relationships between perceived structural elements and customer satisfaction. The findings reveal that perceived hybrid structure significantly predicts customer satisfaction and confirming that customers recognize and value the balance between global consistency and local flexibility. While decentralization and branding balance showed positive connection with satisfaction. Additionally, descriptive results emphasized that customers especially appreciate technology, localization, and global branding as key structural strengths. The study contributes to both theory and practice by shifting focus from internal operations to customer experience. Practically, it suggests that global firms should treat organizational structure as a visible strategic factor that shapes customer trust and loyalty, not merely an internal coordination mechanism. This customer-centered approach may help firms improve satisfaction across diverse cultural markets and strengthen long-term brand success.

Keyword Words: Organizational Structure, Hybrid Model, Branding Flexibility, Customer Satisfaction, Global Performance, McDonald's.

INTRODUCTION

The structure of an organization is very important in deciding how well a corporation runs and does its job (Robbins & Judge, 2019). For multinational firms that do business in many different cultural markets, it is very important to find a balance between centralized control and decentralized regional autonomy in order to keep their brands consistent while also meeting local needs (Hitt et al., 2020). Hybrid structures that mix functional, divisional, and geographic elements are becoming more important for dealing with global complexity. McDonald's Corporation, which has more than 38,000 restaurants in more than 100 countries, is a great example of this hybrid model. It keeps global control over fundamental operations like branding and the supply chain while giving regional managers freedom over menu items and promotions. This balance has helped McDonald's make $25.49 billion in sales around the world in 2023 (Statista, 2024).

While there has been a lot of research on how organizational design affects things like efficiency, innovation speed, and cost control (Bittici et al., 2021), not much has been written on how customers feel about these structural choices. This difference is important because the way an organization is set up has a direct effect on how customers experience it, affecting things like the quality of service, the consistency of products, and the ability to adapt to different cultures (Child, 2021). Zhou et al. (2023) indicate that 82% of hybrid structure research concentrates on Western firms, despite McDonald's deriving 65% of its income from international markets. This geographic bias constrains comprehension of how structural decisions are perceived across many

cultural contexts. Moreover, the majority of studies assess success by financial or internal performance metrics rather than customer-centric outcomes like satisfaction and perceived adaptability (Bittici et al., 2021).

Based on the context, an empirical study is required to analyze customer views of McDonald's hybrid organizational structure and to determine whether these perceptions affect satisfaction in culturally varied markets. The goal of this study is to see if there is a link between customer satisfaction and perceived structural characteristics like decentralization, hybrid configuration, and branding balance. It also aims to find out which structural qualities customers think are most important. This study is directed by three specific inquiries: First, how do customers view McDonald's hybrid organizational structure in markets with a lot of different cultures? Second, how do perceived structural factors affect how happy customers are? Third, what structural components do customers consider to be crucial for McDonald's global success?

The contributions of this research are already known in a number of ways. First, it closes the gap in how customers see things by moving the focus from internal operational indicators to evaluations by external stakeholders. Second, it addresses geographic bias by focusing on the views of mostly Asian and African respondents. This gives us information that is generally missing from organizational research. Third, it adds experience outcomes like pleasure and perceived adaptability as valid ways to measure structural performance. These are in addition to the financial and efficiency measurements that are most used in current research. The results have useful implications for international companies that want to construct their organizations in a way that meets customer needs in order to achieve trust, contentment, and long-term brand success in many markets.

The rest of this paper is set up like this: Section 2 includes the literature review and the conceptual framework. Section 3 talks about how the research was done. Section 4 talks about the real-world results. In Section 5, we discuss about the results. Section 6 wraps up the study and gives suggestions for further research.

LITERATURE REVIEW

Scholars agree that well-aligned organizational structures improve operational efficiency, financial performance, and strategic flexibility (Bittici et al., 2021). Due to the difficulties of doing business across borders, multinational businesses (MNCs) need even more structural alignment. For instance, hybrid architectures are lauded for enabling companies to satisfy diverse consumer needs while maintaining fundamental operating standards (Hitt et al., 2020). This research utilizes contingency theory, which asserts that organizational efficacy is contingent upon the alignment of structure with environmental exigencies (Donaldson, 2001). For multinational firms, this alignment necessitates the reconciliation of two conflicting imperatives: the demand for global integration (consistency, efficiency) and local responsiveness (adaptation, flexibility) (Bartlett & Ghoshal, 2020). While numerous studies have concentrated on the impact of structural alignment on internal factors like productivity, innovation velocity, and coordination efficacy, there is a scarcity of research investigating how this alignment influences customer perceptions, particularly in customer-centric sectors such as fast food, where organizational design can affect product consistency, service speed, and cultural adaptability, all of which play a crucial role in customer satisfaction.

A major question in organizational design is how much power and authority are held at the top versus how much is spread out to local units. Centralized structures help brands stay consistent and give companies like McDonald's control over its operations, which lets them keep the same standards throughout all of their global branches (Hitt et al., 2020). On the other side, decentralized structures encourage local responsiveness, which means that subsidiaries can swiftly adapt to changes in culture and the market (Child, 2021). McDonald's deliberately integrates these two models by letting central leadership make important decisions about things like brand image and supply chain management, while letting regional managers choose menu items and run promotions. This section does not focus on whether these models work well in practice; instead, it looks at the strategic problem they pose: how much decision-making power should be given to local units to make sure they are both culturally relevant and efficient? Although the existing research offers technical evaluations of this balance, the customer perspective on these decisions remains insufficiently examined. This study examines whether external stakeholders recognize and appreciate the trade-offs between consistency and flexibility, thereby influencing their faith in the brand.

To meet the challenges of worldwide operations, hybrid organizational structures combine several types of structures, such as functional, geographic, and divisional ones, to deal with the problems that come with doing business around the world. They are meant to do more than just settle the centralization-decentralization debate; they are also meant to create a layered solution that allows for both global priority and regional autonomy (Daft, 2021; Jones & George, 2021). This is what McDonald's hybrid model is all about. It keeps management of important global activities like branding and purchasing at headquarters, but lets regional units make its own decisions about how to market products. This mixed technique helps keep important offerings the same while also allowing for cultural differences. This balance has helped McDonald's grow over the world and make money ($25.49 billion in 2023, Statista, 2024). A lot of the research on hybrid structures, on the other hand, looks at them from the inside, focusing on things like cost control, management span, or innovation rate. It doesn't really look at how customers see this layered coordination. Moreover, 65% of McDonald's revenue is derived from Western markets (McDonald's Corporation, 2023), and Zhou et al. (2023) identified that 82% of hybrid-structure research concentrates on Western firms, indicating a notable regional bias in current study.

This study identifies three major gaps in existing research. First, there is a customer perception gap: most research on organizational structure examines internal business metrics such as efficiency, innovation, or cost control (Bittici et al., 2021), while very few studies investigate how customers perceive organizational structure, especially in customer-facing industries like fast food. Second, there is geographic bias: Zhou et al. (2023) revealed that 82% of hybrid structure research focuses on Western firms, even though 65% of McDonald's revenue comes from international markets, limiting applicability of findings to global contexts. Third, there is an experiential metrics gap: many studies evaluate success using financial or internal performance measures rather than customer-focused outcomes such as satisfaction, adaptability, and trust. By addressing these gaps, this research contributes both new empirical findings and practical insights.

Conceptual Framework

Based on the literature review and identified research gaps, this study proposes a conceptual framework that guides the investigation. The framework identifies perceived hybrid structure, perceived decentralization effectiveness, and perceived branding balance as independent variables, with customer satisfaction and perceived structural adaptability as dependent variables. Familiarity with McDonald's operations serves as a control variable to account for prior knowledge effects. The framework posits that customer perceptions of McDonald's organizational structure directly influence satisfaction outcomes, with hybrid structure serving as the overarching construct while decentralization and branding balance represent specific structural mechanisms that may contribute to customer perceptions. The conceptual framework guiding this study is presented in Figure 1.

Figure 1: Conceptual Framework - The Influence of Hybrid Organizational Structure on Customer Satisfaction and Perceived Structural Success

Note: This figure illustrates the hypothesized relationships between perceived structural elements (independent variables) and customer outcomes (dependent variables). Solid arrows represent direct effects tested in H1, H2, and H4. The dotted arrow from Structural Elements to Perceived Structural Success represents H3. Dotted double-headed arrows indicate significant correlations between independent variables. Familiarity serves as a control variable. p < 0.001, p < 0.01.

Hypothesis Development

Building on the literature review and conceptual framework, this study proposes four hypotheses for empirical testing. While decentralization has been extensively discussed as a mechanism for local responsiveness (Child, 2021), existing research has not examined whether customers perceive this structural feature or whether such perception influences their satisfaction. If decentralization is effectively implemented, customers should experience greater cultural sensitivity through menu adaptations and local marketing, leading to higher satisfaction. Thus, we raise our first hypotheses of this paper:

H1: There is a positive relationship between perceived decentralization and customer satisfaction.

Although hybrid structures are recognized as effective solutions for balancing global integration and local responsiveness (Daft, 2021; Hitt et al., 2020), no empirical studies have tested whether customers perceive this balance or whether such perception affects their satisfaction. If customers recognize that McDonald's maintains consistent global quality while adapting to local tastes, this recognition should positively influence their satisfaction. Thus, we raise our second hypotheses of this paper:

H2: McDonald's hybrid structure is positively associated with customer satisfaction and perceived adaptability.

While literature identifies multiple structural components (Jones & George, 2021), it remains unknown which elements customers themselves perceive as most important to organizational success. Technology integration, global branding, and localization represent customer-facing structural features, while functional specialization operates internally. Thus, we raise our third hypotheses of this paper:

H3: Structural elements such as branding, localization, and technology usage are perceived as key contributors to McDonald's success.

The tension between global consistency and local adaptation is central to multinational strategy (Bartlett & Ghoshal, 2020; Prahalad & Doz, 2021), but whether customers notice and value this balance has not been tested. Thus, we raise our fourth hypotheses of this paper:

H4: A balanced approach between global branding and local adaptation contributes positively to customer satisfaction.

RESEARCH METHODOLOGY

Data and Sample

We conducted a cross-sectional survey of international university students residing in China to explore how organizational structure influences customer perceptions and satisfaction across culturally diverse markets. The sample comprised 133 respondents representing diverse nationalities and cultural backgrounds, including Asia, Africa, the Middle East, and Europe. International students were selected for three reasons: this population naturally represents multiple cultural backgrounds, enabling cross-cultural insights without requiring multi-country data collection; as frequent consumers of global fast-food brands, they have direct experience with McDonald's across both home and host countries, making them qualified to evaluate structural adaptability; and this sampling choice directly addresses the geographic bias identified in literature (Zhou et al., 2023) by centering non-Western perspectives often underrepresented in organizational research. The survey was distributed through university international student networks and completed online. Participation was voluntary and anonymous. The survey instrument was pilot-tested with five respondents to ensure clarity and comprehension before full distribution. Figure 1 provides an overview of the respondent's counties.

Figure 2: National and cultural distribution of survey respondents (N = 133).

Note: This figure illustrates the diverse geographic backgrounds of international student participants, highlighting the cultural variety represented in the sample. Respondents represented multiple regions including Asia, Africa, the Middle East, and Europe.

Measurement

This study uses multi-item scales derived from the relevant literature. We adapted item wording to align with the study context of customer perceptions of organizational structure.

Informants responded to items on varying scales including 3-point, 4-point, and 5-point formats as appropriate for each construct. We employed descriptive statistics to assess variable distributions, Pearson correlation to examine relationships between constructs, and multiple regression to determine predictive power.

Dependent Variable

Customer satisfaction was operationalized as a single-item measure capturing satisfaction with McDonald's adaptability to different local cultures and customer needs. Respondents rated their satisfaction on a 4-point scale ranging from 1 ("very dissatisfied") to 4 ("very satisfied"). This item was based on previous literature on customer satisfaction in multinational contexts (Oliver, 2010).

Independent Variables

Perceived hybrid structure was measured by asking respondents "In your opinion, how much does McDonald's mix of global control and local flexibility help it succeed in different countries?" on a 4-point scale from 1 ("not at all") to 4 ("very much"). This item was developed based on hybrid structure literature (Daft, 2021; Hit et al., 2020). Perceived decentralization effectiveness was measured by asking "Do you believe decentralization helps McDonald's meet local customer needs?" on a 5-point scale from 1 ("strongly disagree") to 5 ("strongly agree"), drawing on decentralization literature (Child, 2021). Perceived branding balance was measured by asking "How well does McDonald's keep balance between global consistency with local flexibility?" on a 5-point scale from 1 ("very poorly") to 5 ("very well"), based on branding and localization literature (Bartlett & Ghoshal, 2020).

Structural Elements

Four binary variables captured which structural components respondents perceived as most important to McDonald's success. Respondents selected from options including global branding, localization, technology use, and specialization. These items were derived from literature identifying key structural features of multinational corporations (Jones & George, 2021). Each variable was coded as 1 if selected and 0 if not selected.

Control Variable

Familiarity with McDonald's operations was measured by asking "How familiar are you with how McDonald's operates as a global company?" on a 3-point scale from 1 ("not familiar") to 3 ("very familiar"). This variable controls for prior knowledge that might influence structural perceptions.

Secondary Data

Secondary data were collected from McDonald's annual reports (2021–2023), academic journal articles, and peer-reviewed case studies related to organizational structure and multinational operations. These sources were used to provide background information, support survey items, and help contextualize the empirical findings by connecting them to both current industry practices and established theoretical frameworks.

Data Analysis Methods

Primary data from the survey were analyzed using Stata, and done three types of statistical analysis. Descriptive statistics were conducted to provide an overview of respondent characteristics and variable distributions, and to test H3 by identifying which structural elements respondents perceived as most important. Pearson correlation analysis was then used to test H1, H2, and H4 by assessing the strength and direction of relationships between structural variables and customer satisfaction. Finally, multiple linear regression was performed to determine the relative predictive power of each independent variable on customer satisfaction, while controlling for other variables.

Secondary data from case studies and corporate reports were analyzed using thematic analysis, which involved several stages. The process began with familiarization, where McDonald's annual reports and case studies were read and re-read to gain comprehensive understanding. Initial coding was then conducted to identify passages related to structural decisions, local adaptations, and customer-facing changes. These codes were subsequently grouped into broader themes such as "local menu innovation," "technology integration," and "brand consistency." Finally, interpretation connected these themes to the quantitative findings to provide contextual examples. The purpose of this analysis was to support and explain the quantitative findings by aligning them with real-world examples and theoretical insights from organizational behavior literature.

RESULTS

Variable	Obs	Mean	Std. dev.	Min	Max
Familiarity	133	2.887218	0.340546	1	3
Hybrid Structure	133	3.195489	0.995890	1	4
Decentralization	133	4.278195	0.828958	3	5
Branding balance	133	3.120301	0.937740	1	4
Satisfaction	133	3.045113	1.140605	1	4

This section presents the findings from the analysis of primary survey data collected from 133 international students representing diverse nationalities and cultural backgrounds, as illustrated in Figure 1. The results are structured into three parts: (1) descriptive statistics, (2) hypothesis testing through correlation and regression analyses, and (3) supporting qualitative insights from McDonald's corporate documents and case studies. Together, these findings provide a comprehensive assessment of the proposed hypotheses and offer empirical insights into how McDonald's hybrid organizational structure is perceived by customers across different cultural contexts.

Descriptive Statistics

Descriptive statistics were used to summarize respondents' familiarity with McDonald's global operations and their perceptions of key structural elements, including hybrid structure, decentralization, branding balance, and structural flexibility satisfaction. As shown in Table 1, the mean score for Familiarity (M = 2.89, SD = 0.34) indicates that most respondents were knowledgeable about McDonald's global operational structure. Hybrid Structure recorded a moderate average score (M = 3.20, SD = 1.00), indicating that respondents generally perceive McDonald's centralized-decentralized model as having a meaningful impact on its global success. Decentralization effectiveness received the highest mean among all measures (M = 4.28, SD = 0.83), showing strong agreement that local decision-making contributes to better responsiveness to local customer needs. Branding Balance showed a positive view of McDonald's ability to maintain global identity while allowing local adaptation (M = 3.12, SD = 0.94). Finally, the Flexibility Satisfaction score (M = 3.05, SD = 1.14) indicates moderate but favorable satisfaction levels regarding McDonald's adaptability to diverse cultural environments.

Table 1: Descriptive statistics of variables

Along with scaled variables, descriptive analysis also included four binary variables representing structural components that respondents identified as having the biggest impact on McDonald's success. Table 2 shows that technology use received the highest mean score (M = 0.88, SD = 0.33), indicating that 88% of respondents selected technology as a key factor in McDonald's success. Global branding followed with a mean of 0.77 (SD = 0.42), selected by 77% of respondents. Localization showed a mean of 0.72 (SD = 0.45), selected by 72% of respondents. Specialization was rarely chosen (M = 0.01, SD = 0.87), selected by less than 1% of respondents, indicating that internal functional specialization is not perceived as a key success factor by customers. These results indicate that customers clearly perceive adaptive, customer-facing elements technology, branding, and localization as most important to McDonald's success, while internal functional specialization is largely invisible to external stakeholders. This finding provides initial support for H3, and provide a foundation for the correlation and regression analyses that follow.

Table 2: Frequency of selected structural elements contributing to McDonald's performance

Variable	**Obs**	**Mean**	**Std. dev.**	**Min**	**Max**
Global Branding	133	0.7744	0.4195	0	1
Localization	133	0.7218	0.4498	0	1

Tech Use	133	0.8796	0.3265	0	1
Specialization	133	0.0075	0.867	0	1

Correlation Analysis

Table 3 presents the correlation matrix showing relationships between the main structural variables and customer satisfaction. The analysis reveals that hybrid structure shows a moderate positive correlation with satisfaction (r = 0.57, p < 0.001), indicating that respondents who perceived McDonald's hybrid approach more favorably reported significantly higher satisfaction with the company's adaptability, which shows strong support for H2. Decentralization shows a weak but significant positive correlation with satisfaction (r = 0.25, p = 0.004), suggesting that respondents who perceived McDonald's as effectively decentralizing decisions to local units tended to report higher satisfaction. This provides initial support for H1. On the other side, branding balance also shows a weak positive correlation with satisfaction (r = 0.26, p = 0.002), indicating that respondents who perceived McDonald's as effectively balancing global consistency with local adaptation reported higher satisfaction. This finding provides initial support for H4. Additionally, hybrid structure shows moderate correlations with both decentralization (r = 0.45, p < 0.001) and branding balance (r = 0.32, p < 0.001), supporting the idea that these structural elements are perceived as interconnected. Decentralization and branding balance also share a significant correlation (r = 0.32, p < 0.001), indicating that respondents regard these structural features as related. These relationships are visually illustrated in Figures 4 and 5, which display scatter plots for the main predictive variables against flexibility satisfaction.

Table 3: Correlation Matrix Test Result

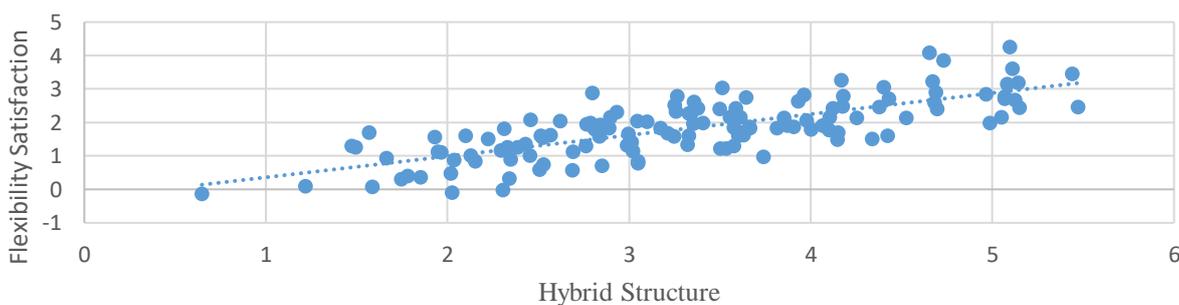| Variable	Flexibility Satisfaction	Hybrid Structure	Decentral Effectiveness	Branding Balance
Flexibility Satisfaction	1.0000			
Hybrid Structure	0.5724 0.0000	1.0000		
Decentral Effectiveness	0.2510 0.0036	0.4475 0.0000	1.0000	
Branding Balance	0.2640 0.0021	0.3234 0.0001	0.3172 0.0002	1.0000

Hybrid Structure vs Satisfaction

Figure 3: Scatterplot illustrating the positive relationship between hybrid structure perception and flexibility satisfaction.
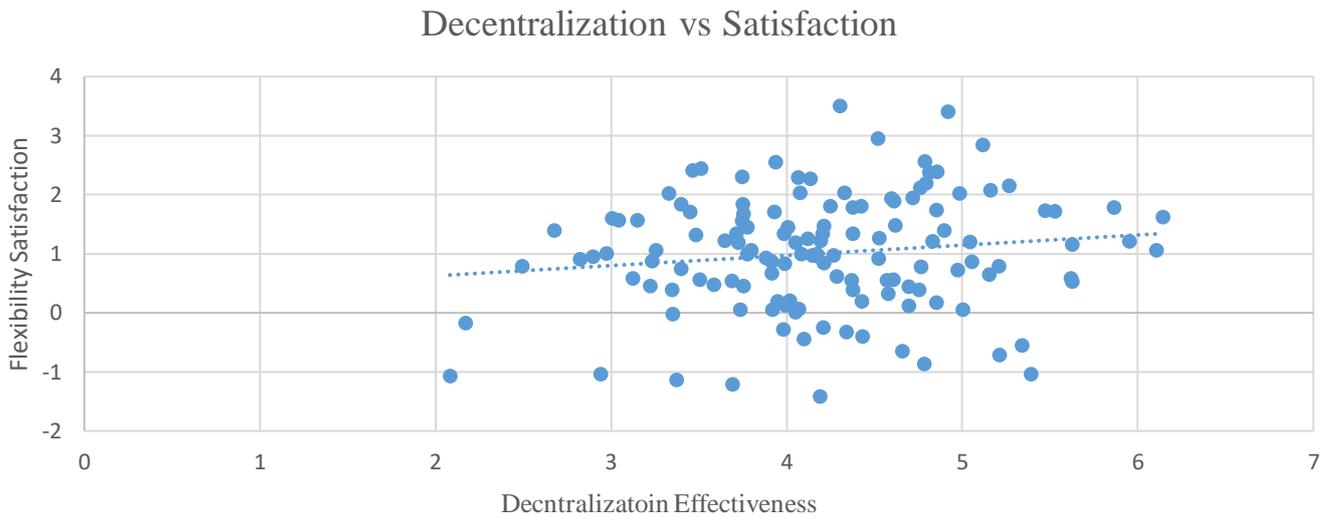
Figure 4: Scatterplot illustrating the correlation between decentralization effectiveness and flexibility satisfaction.

Figure 5: Scatterplot illustrating the correlation between branding balance and flexibility satisfaction.

Regression Analysis

To further test the proposed hypotheses and determine the relative predictive power of each structural variable, a multiple linear regression analysis was conducted with flexibility satisfaction as the dependent variable and hybrid structure, decentralization effectiveness, and branding balance as predictors. As shown in Table 4, the model shows that hybrid structure is the only significant predictor of customer satisfaction ($\beta = 0.63$, $p < 0.001$). The 95% confidence interval [0.45, 0.82] further supports the reliability of this finding. Overall, these results confirm strong support for Hypothesis 2, demonstrating that hybrid structure perception is the most important predictor of customer satisfaction among the variables studied.

Decentralization ($\beta = -0.04$, $p = 0.747$) and branding balance ($\beta = 0.11$, $p = 0.231$) do not have statistically significant effects when controlling for hybrid structure. While these variables showed significant correlations in the bivariate analysis, they do not remain significant in the full model. Thus, Hypotheses 1 and 4 find only partial support, suggesting that decentralization and branding balance may operate through or be encompassed by broader hybrid structure perceptions. These findings collectively demonstrate that customers perceive and appreciate McDonald's hybrid organizational structure, and that this perception significantly influences their satisfaction with the brand's adaptability across diverse cultural markets.

Table 4:Regression Results for Flexibility Satisfaction

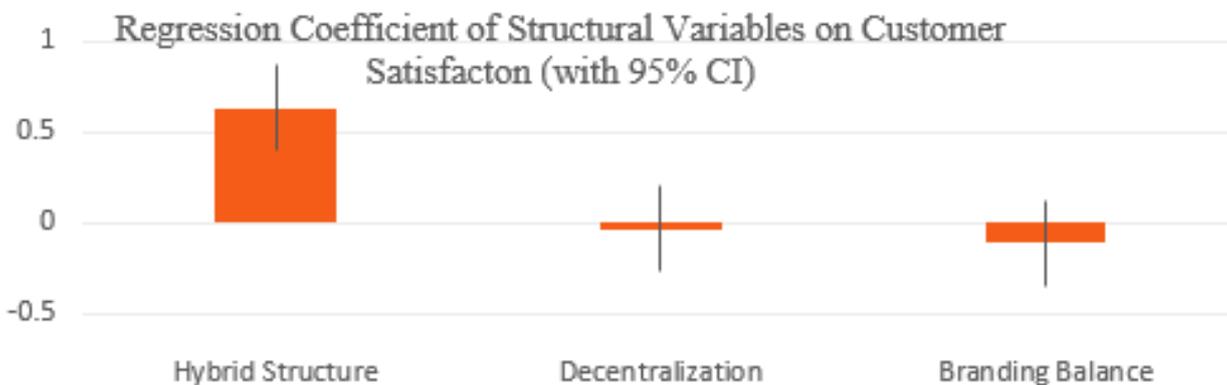| Satisfaction score | Coefficient (β) | Std. Error | t-value | P > | t | | 95% Confidence Interval | Significant |
|---|---|---|---|---|---|---|
| Hybrid score | 0.6347 | 0.094 | 6.74 | 0.000 | [0.448, 0.820] | Yes |
| Decentral score | -0.0365 | 0.113 | -0.32 | 0.747 | [-0.259, 0.186] | No |
| Branding score | -0.1133 | 0.094 | 1.20 | 0.231 | [-0.073, 0.299] | No |
| Constant | 0.8194 | 0.457 | 1.79 | 0.076 | [0.085, 1.724] | Yes |

Figure 6: Regression Coefficients Predicting Structural Satisfaction

Supporting Qualitative Insights

To support the quantitative findings, qualitative insights were extracted from McDonald's business documents (2021-2023) and peer-reviewed case studies. These sources provide contextual depth to the survey results, especially about the functionality of McDonald's structural design in various markets and the customer experience resulting from structural decisions.

The McDonald's India case shows how decentralization can lead to menu changes that are more relevant to the culture. In India, where many people have dietary restrictions or prefer vegetarian food, McDonald's added the McSpicy Paneer, McAloo Tikki burger, and distinct sections for vegetarian food production. The corporation was able to respond well to local cultural preferences because regional management was given the power to make decisions on their own. This example fits with the survey's high levels of agreement on the success of decentralization (M = 4.28), where most people agreed that letting local managers make decisions helps McDonald's meet the demands of local customers. The case in India shows that decentralization leads to menu changes that customers can see and that show cultural sensitivity, which supports H1.

McDonald's annual reports also stress the importance of consistent branding around the world as a strategic goal. The corporation has tight global standards for its primary goods, such the Big Mac and French fries, so that customers get the same quality no matter where they are. This consistency in worldwide branding helps customers trust the business and strengthens its identity. The survey's high selection rate for global branding (77%) supports H3 by showing that customers care about having a consistent brand experience in all markets, whether they go to McDonald's in Beijing, Mumbai, or New York. Corporate studies also show that McDonald's

is relying more and more on technological platforms for things like ordering, supply chain integration, and customer engagement. The business has put a lot of money into apps for ordering on mobile devices, kiosks for self-service, and partnerships for delivery. The study result showing that 88% of respondents saw technology use as a core structural strength significantly supports H3 and shows that customers see technology as a key factor in McDonald's global success.

McDonald's operations in China and the Middle East show how the corporation keeps its worldwide brand identity while also meeting local tastes. McDonald's serves rice dishes and taro pies in China, and the McArabia sandwich with halal certification at all of its Middle Eastern locations. These examples back up H4 by showing how branding balancing works in real life: keeping worldwide brand recognition while showing respect for local customs. The survey's positive opinion of branding balance (M = 3.12) shows that customers notice and like this balance. These examples show that the consumer perceptions found in the quantitative analysis are based on clear structural practices. The high level of satisfaction with McDonald's flexibility shows that the company makes structural choices that allow for local menu changes in India, brand consistency across borders, technology integration around the world, and balanced branding in markets with different cultures, like China and the Middle East. This agreement between quantitative data and qualitative evidence increases the validity of the study's conclusions regarding how McDonald's hybrid organizational structure effects customer perceptions and satisfaction across varied cultural markets.

DISCUSSION

The purpose of this study was to empirically show how consumers view and value organizational structure. Specifically, it looked at how McDonald's hybrid strategy which combines local responsiveness with global standardization affects customer satisfaction in culturally varied areas. Our results show that consumer happiness is highly predicted by perceived hybrid structure, indicating that structural decisions have outward effects in addition to internal efficiency. We also wanted to discuss how some structural components, including branding balance and decentralization, impact consumer views. Our findings indicate that although these components have favorable correlations, they might function through or be included in more general evaluations of hybrid structures. These results provide empirical support for the work of Daft (2021) and Bartlett and Ghoshal (2020) by highlighting the crucial role hybrid structures play in influencing consumer experiences in a variety of cultural contexts.

The findings show that the best indicator of customer satisfaction is perceived hybrid structure ($\beta = 0.63$, $p < 0.001$). Customers express more satisfaction with McDonald's adaptability as they realize that the company maintains constant worldwide quality while catering to local tastes. Consequently, in a variety of marketplaces, a hybrid organizational structure promotes favorable customer perceptions. According to related literature, hybrid structures are intended to create layered solutions that allow regional autonomy and global priorities to coexist in order to overcome the centralization-decentralization problem (Daft, 2021; Jones & George, 2021). Our results add to the body of literature by showing that consumers not only observe this balance but also give it greater satisfaction ratings.

Our correlation study revealed a strong positive association between decentralization and satisfaction ($r = 0.25$, $p = 0.004$), supporting Child's (2021) claim that market responsiveness is made possible by local autonomy. With menu innovations like McSpicy Paneer and McAloo Tikki, McDonald's India serves as an example of how decentralization results in adjustments that are obvious to customers. However, after adjusting for hybrid structure, regression analysis showed that decentralization was no longer significant. This lack of significance does not necessarily mean that decentralization is insignificant; rather, it suggests that hybrid structure perception may act as a mediating factor. The distinct contribution of decentralization could not be distinguished because of the overlap in variance explained by hybrid structure and decentralization. To elucidate this link, more investigation is required.

Similarly, branding balance was non-significant in regression but had a substantial connection with satisfaction ($r = 0.26$, $p = 0.002$). This result implies that, although customers value the balance between local adaptation and global consistency, it may be a crucial component of how hybrid structures are seen rather than a stand-alone prediction. In the Middle East, McDonald's serves McArabia sandwiches and halal certification, whereas

in China, it serves rice dishes and taro pies. Case studies of these businesses show how branding balance works in real life and why consumers notice it.

McDonald's strategy aims are strongly validated by the high acknowledgment of technology utilization (88%), worldwide branding (77%), and localization (72%), as critical success factors. Technology links are crucial for organizational flexibility, as stressed by Taylor and Helfat (2020), and our results validate that customers view technology as a fundamental structural strength. The "Accelerating the Arches" growth plan of McDonald's, which emphasizes technology as a driver of customer experience, is in line with this.

Together, these results imply that hybrid structures that strike a balance between local flexibility and global control increase the likelihood that multinational firms will satisfy their customers. Higher customer commitment and favorable brand perceptions result from the hybrid approach's promotion of both operational efficiency and cultural responsiveness. A positive and accepting attitude toward local diversity is even more crucial for successful implementation across varied markets because introducing structural adaptation is frequently complicated. Additionally, our findings also show that using hybrid structure approaches is linked to increased customer satisfaction (Bartlett & Ghoshal, 2020; Hitt et al., 2020). In order to improve market performance, businesses are encouraged to continually question their presumptions and develop innovative adaptability through a balanced, customer-centered work strategy.

Theoretical Implications

Our results provide a number of important contributions to the theories of international management and organizational structure. First, this study enhances the literature by illustrating that organizational structure affects not only internal efficiency and financial performance, as previously established (Bittici et al., 2021; Hitt et al., 2020), but also consumer perceptions and satisfaction. This research builds upon existing studies mainly centered on internal operational indicators (Robbins & Judge, 2019) by incorporating a customer-centric viewpoint on structural effectiveness.

Second, the findings of this study underscore the significance of hybrid structures in culturally heterogeneous markets. We demonstrate that the perceived hybrid structure, characterized by its equilibrium of global oversight and local adaptability, is the principal determinant of consumer happiness. Consequently, we augment the current literature on multinational strategy (Bartlett & Ghoshal, 2020; Prahalad & Doz, 2021) by supplying empirical evidence that customers acknowledge and appreciate this structural equilibrium. Prior theoretical insights about the function of hybrid structures in multinational businesses contend that they can enhance both efficiency and responsiveness (Daft, 2021). We endorse these findings and present quantitative evidence from a non-Western respondent sample, so addressing the regional bias noted by Zhou et al. (2023).

Third, by showing which structural components customers themselves believe are most crucial, we add to the corpus of existing research. Although some structural components have been identified in the literature (Jones & George, 2021), it is still unclear which aspects customers find valuable. Our discovery that localization, global branding, and technology use are well-known while specialization is not offers fresh empirical understanding of how upstream structural choices result in consequences that are visible to customers.

Fourth, this study fills three research gaps: the first is the lack of customer-focused analysis; the second is the regional bias in current samples; and the third is the over-reliance on financial measurements. We enhance the discussion of how organizational structure should be assessed by emphasizing the perspectives of non-Western respondents and concentrating on experience results.

Practical Implications

For managers and global companies, our study offers valuable insights. We present data from culturally diverse marketplaces that demonstrate how using hybrid structural principles increases consumer satisfaction. This relationship becomes more significant the more culturally diverse a company's markets are; hence, multinational firms in particular should think about putting in place hybrid structures that strike a balance between local adaptation and global uniformity.

Our findings are useful to organizations when evaluating their structural design. The findings demonstrate that hybrid techniques are valued and seen favorably by consumers. Our findings demonstrate to managers the significance of developing organizational structures with customer perception in mind, despite the fact that changing organizational structure is challenging. Managers can proactively exert local autonomy at the regional level to modify offers to accommodate cultural preferences. The upkeep of technological infrastructure and brand consistency should be the major priorities at the global level. In all marketplaces, this can boost consumer satisfaction and trust.

In particular, 88% of respondents cited technology as a critical success component, indicating that investments in technological infrastructure result in strong consumer awareness. Thus, digital transformation projects like self-service kiosks, delivery connections, and smartphone ordering apps should be given top priority by businesses. Likewise, preserving worldwide brand coherence while permitting regional menu modifications conveys dependability and cultural awareness, both of which are valued by clients.

All things considered, we raise awareness of how multinational firms should position themselves to increase the likelihood of achieving customer happiness and, eventually, fortify long-term brand performance across culturally diverse regions. These findings can be used by organizations to create focused plans that increase structural flexibility. By granting authority to regional managers while upholding global standards, firms can create a workforce that is better equipped to handle challenging and culturally diverse tasks.

CONCLUSION

This study examined whether customers perceive McDonald's hybrid organizational structure and whether those perceptions influence satisfaction across culturally diverse markets. The findings confirm that customers do perceive organizational structure they recognize when a company balances global consistency with local flexibility. Perceived hybrid structure positively influences customer satisfaction, demonstrating that structural choices have external consequences beyond internal efficiency. Customers identify technology, global branding, and localization as the most important structural elements contributing to McDonald's success. The study contributes to organizational theory by showing that structure functions as a visible signal to external stakeholders, not merely an internal coordination mechanism. For practitioners, the implication is clear: organizational structure should be designed with customer perception in mind. Limitations include a student sample, self-reported data, and single-company focus, suggesting caution in generalizing findings. Future research should expand to broader populations and multiple companies. In conclusion, organizational structure shapes how customers experience global brands. For companies like McDonald's, aligning structural design with customer expectations is essential to sustaining long-term success across diverse markets.

Limitations and Future Research

There are several restrictions on this study. First, our study is limited in its capacity to draw causal inferences because it is based on cross-sectional survey data from 133 international students in China, which is correlational in nature. Even though we addressed regional bias by using a culturally diverse sample, sampling bias is still a possibility. Despite its cultural diversity, the student sample might not be representative of other consumer segments across age and socioeconomic levels.

Second, because participants' impressions could not accurately reflect objective structural arrangements, using a self-report methodology raises the possibility of subjective biases. However, since perceptions are exactly what we sought to measure, self-report data is appropriate for the purposes of our study, which is looking at consumer perceptions.

Third, although the McDonald's single-company focus adds depth, it restricts the applicability to other global firms with distinct industry contexts or structural configurations. Comparative studies across several multinational organizations could be useful for future research to ascertain whether the findings apply to other companies besides McDonald's.

Fourth, the regression model explained 34% of the variance in satisfaction even though we looked at a number of structural features. This suggests that other factors that were not looked at, such pricing, service quality, or cultural familiarity, might also have an impact on satisfaction.

Future study could benefit from longitudinal designs to enhance the understanding of the causal relationships between structural perceptions and consumer happiness. Such studies could investigate the evolution of perceptions as organizations undergo structural changes or penetrate new markets. In order to provide light on how structural preferences differ throughout cultures, future study could also examine other moderating factors including cultural traits like individualism and power distance. According to Hofstede's (2021) paradigm, consumers may assess structural adaptability differently depending on their cultural background. Furthermore, understanding how structural impressions fluctuate across consumer categories may be enhanced by expanding this research globally with larger populations that include a range of age groups, income levels, and geographic locations. Lastly, given the growing digital change, it could be worthwhile to investigate how technology helps or hinders structural flexibility. Future research might look at how future technologies, digital platforms, and AI-driven personalization work with structural design to influence consumer experiences in a variety of marketplaces.

Ethical Considerations

This study adhered to standard ethical research practices. All survey respondents were informed of the study purpose and their rights before participation. No personally identifiable information was collected, ensuring complete anonymity. All data were stored securely and used only for academic research purpose.

CRediT authorship contribution statement

Muhammad Ghafoor Ahmadi: Writing – review & editing, Writing – original draft, Validation, Methodology, Investigation, Formal analysis, Conceptualization.

Declaration of Competing Interest

The author declares no conflict of interest.

REFERENCE

1- Bartlett, C. A., & Ghoshal, S. (2020). Managing across borders: The transnational solution. Harvard Business Review Press.
2- Bittici, U., Martinez, V., & Nudurupati, S. (2021). Organizational structure and operational performance: A comprehensive review. Journal of Business Research, 124, 42–55. https://doi.org/10.1016/j.jbusres.2020.11.034
3- Child, J. (2021). Cultural adaptation and multinational organizational structures. International Journal of Management Reviews, 23(3), 349–369. https://doi.org/10.1111/ijmr.12285
4- Daft, R. L. (2021). Organization theory and design (13th ed.). Cengage Learning.
5- Galbraith, J. R. (2020). Designing organizations: Strategy, structure, and process at the business unit and enterprise levels. Organizational Dynamics, 48(2), 100739. https://doi.org/10.1016/j.orgdyn.2019.100739
6- Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2020). Strategic management: Competitiveness and globalization (13th ed.). Cengage Learning.
7- Hofstede, G. (2021). Culture's consequences: Comparing values, behaviors, institutions and organizations across nations (3rd ed.). Sage Publications.
8- Jones, G. R., & George, J. M. (2021). Contemporary management (11th ed.). McGraw-Hill Education.
9- Kostova, T., & Roth, K. (2020). Adoption of organizational practice by subsidiaries of multinational corporations: Institutional and relational effects. Academy of Management Journal, 43(4), 616–635. https://doi.org/10.5465/1556354
10- Luo, Y. (2021). Multinational enterprises in emerging markets. Journal of International Business Studies, 52(1), 12–34. https://doi.org/10.1057/s41267-020-00390-z

11- McDonald's Corporation. (2023). Annual report 2023. https://corporate.mcdonalds.com

12- Ohmae, K. (2020). The borderless world: Power and strategy in the interlinked economy. Harper Business.

13- Prahalad, C. K., & Doz, Y. L. (2021). The multinational mission: Balancing local demands and global vision. Free Press.

14- Robbins, S. P., & Judge, T. A. (2019). Organizational behavior (18th ed.). Pearson Education.

15- Rugman, A. M., & Verbeke, A. (2020). Global corporate strategy and trade policy. Routledge.

16- Statista. (2024). McDonald's revenue worldwide 2005–2023. https://www.statista.com/statistics/219454/mcdonalds-revenue-worldwide

17- Taylor, A., & Helfat, C. E. (2020). Organizational linkages for adapting to new technologies: Current research and future directions. Strategic Organization, 18(1), 54–79. https://doi.org/10.1177/1476127019895010

18- Doz, Y., & Prahalad, C. K. (2020). Managing DMNCs: A dynamic capability perspective. Strategic Management Journal, 41(8), 1509–1528. https://doi.org/10.1002/smj.3118

19- Ghemawat, P. (2020). Redefining global strategy: Crossing borders in a world where differences still matter (2nd ed.). Harvard Business Review Press.

20- Zhou, Y., Li, X., & Wang, J. (2023). Hybrid organizational structures: A study of Western versus Asian multinational corporations. Journal of International Business Studies, 54(1), 103–121. https://doi.org/10.1057/s41267-022-00513