



# ***Big Challenges – Big Solutions***

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## Introduction

# Big Challenges Call for Big Solutions – an

## Introduction *(3 minute read)*

Brothers Richard and Maurice were handymen and set movers at Motion-Picture studios. When their father opened a food stand at Monrovia, California, they pitched in and helped sell hamburgers, potato chips, coffee, soft drinks, and apple pie.

With a view to increase profits, they decided to design a fancy building with shiny red and white ceramic tiles, stainless steel fittings, brightly colored sheet metal, and two 25-foot yellow sheet-metal arches trimmed in neon, called "golden arches."

They started to get noticed – but it wasn't nearly enough.

And so the brothers tried various small things to increase footfall and sales. They reduced the heating, so people would eat quickly and leave. They built cramped, fixed and angled seating so people wouldn't sit long and socialize. They even gave their customers their drinks in cone-shaped cups that they had to hold while eating!

But it was not until Ray Kroc joined Richard and Maurice and decided to take this franchise nation-wide, that the magic started to happen. Soon there were franchises all across the country and people were queuing up for burgers and fries.

Then in 1956, Ray Kroc met Harry Sonnenborn who suggested a very unconventional idea for growth to the team. He told a very stunned Kroc, Richard and Maurice that they must own the real estate that future franchises would be built on. This turned out to be the single most important financial decision the company would ever make. What this translated into was, that they would buy the real estate and lease it out to the franchise partners.



Now this wasn't a small or a quick solution – but the results were astounding.

**The present-day real estate holdings of McDonald's represent \$37.7Bn on its balance sheet, about 99% of the company's assets and 35% of its annual gross revenue!**

Sometimes, a small shift or tweak is what it takes to change things. But sometimes you need to load up the big guns and fire on all cylinders.

This is a series of articles on how big changes brought correspondingly huge results to businesses. Our first one is about a Car company. Be sure to check it out!

*Part 1: The Higher the Engagement Rate, the Greater the Chances of Conversion – a Car Story (4 minute read)*

*Part 2: Unica Marketing Automation Propels Omni-channel strategy for a Large Indian Bank (5 minute read)*