

## NEWS BREAK

Article: **Did McDonald's price itself out of a segment it dominated for decades?**

Section: **BUSINESS, C5**

Sunday's News Break selects an article from **Sunday, May 18, 2025**, of The Seattle Times print replica for an in-depth reading of the news. Read the selected article and answer the attached study questions.

You are encouraged to modify this lesson to fit the needs of your students. For example, some teachers might use this as a take-home assignment and others might read and answer the questions in a small group or larger, class discussion.

***\*Please be sure to preview all NIE content before using it in your classroom to ensure it is appropriate for your students.***

### Standards:

#### **CCSS.ELA-Literacy.RI.4.1**

- Refer to details and examples in a text when explaining what the text says explicitly and when drawing inferences from the text.

#### **CCSS.ELA-Literacy.RI.4.2**

- Determine the main idea of a text and explain how it is supported by key details; summarize the text.

### Objectives:

Students will think critically about different perspectives on analyzing how economic factors, pricing strategies, and competitive pressures can impact a long-established business's market position and consumer appeal.

### Pre-Reading Discussion:



- What do you think the article will be about, using this picture?
- Are there any clues? What can you infer?

### **Vocabulary Building:**

Read this sentence, what do you think the highlighted words mean using *context clues*? A **context clue** is a word or words that are hints and refers to the sources of information outside of words that readers may use to predict the meaning of the word.

McDonald's latest financial report suggests that **sentiment** has grown among its traditional customer base.

### ***Sentiment Guess:***

### ***Sentiment Definition:***

### **Comprehension Questions:**

1. The average price of McDonald's regular Big Mac, left, rose \_\_\_\_% from 2019 to 2024.
2. What is the company blaming its disappointing first-quarter results on?
3. Some experts suggest that budget-conscious consumers have turned to chains such as \_\_\_\_\_ and \_\_\_\_\_ for meals that they see as offering a better value.
4. In its first quarter, McDonald's saw its worst year-over-year revenue drop since the height of the pandemic, as sales tumbled \_\_\_\_% for U.S. locations that have been open for at least 13 months.
5. Visits from low-and middle-income consumers plunged by nearly \_\_\_\_%, chief executive Chris Kempczinski said this month. "People are just being more judicious about cutting back on visits."
6. Generally speaking, the price gap between fast-food, fast-casual and sit-down restaurants has \_\_\_\_\_, said Sara Senatore, an analyst at Bank of America.
7. The average price of a McDonald's menu item increased \_\_\_\_% from 2019 to 2024, which the company says tracks with the rise in its costs.
8. McDonald's price hikes have led competitors to question the chain's \_\_\_\_\_.
9. But McDonald's, long seen as the fast-food industry's standard-bearer and an icon of affordable dining, is more vulnerable now. Why?
10. The challenging consumer environment gives McDonald's an opportunity to outperform its competitors if it strikes the right balance between what two things?
11. Experts said McDonald's became a fast-food behemoth decades ago largely because of the \_\_\_\_\_, an offering for kids that includes an entree, side, drink and toy.
12. The burger giant attracted lower- and middle-income parents, who could feed their families for a \_\_\_\_\_ of the price of other restaurants.

13. But restaurant \_\_\_\_\_ has made it almost impossible to reintroduce a \$1 price point, leaving McDonald's to rely on viral marketing moments such as summer 2023's Grimace Shake or this past quarter's A Minecraft Movie Meal to excite consumers. Those brand partnerships work during good times, but McDonald's faces a tougher challenge when people worry about the economy.
14. During the 2008 financial crisis, McDonald's \$1 offerings helped the chain keep customers, but now that its signature sandwiches can cost more than \$5 and combo meals have exceeded \$\_\_\_\_\_ at some franchises, the company's food no longer feels like a deal compared with competitors.
15. "The thing that kept people coming back was their \_\_\_\_\_ and \_\_\_\_\_."

### **Class Discussion Questions:**

- What surprised (or stood out to) you in the article?
- At first, I thought \_\_\_\_\_, but now I think \_\_\_\_\_?
- Does your family/friends frequent McDonald's? Have things changed with recent price increases? Why or why not?
- What is your favorite fast-food restaurant? What restaurants do you think provide the best value and food choices? Why?
- Is consistency and price/value important to you?
- How has the impact of inflation impacted your consumer spending on food, clothing, going to movies, concerts, etc.?

### **Deeper-Dive comprehension questions for small groups, entire classes or journal entries and/ or essay prompts for extended enrichment:**

- The article mentions that McDonald's used to be a "go-to choice" for a quick and inexpensive meal. What does "go-to choice" mean, and why do you think McDonald's held that position for so long?
- Why do you think families like Nick Martinez's are now choosing other restaurants instead of McDonald's? What does this tell us about how people make decisions about where to eat?
- The article talks about "value." What does "good value" mean to you when you're buying food? How important is price compared to other things like taste or how much food you get?
- Think about a time you or your family decided where to eat based on price. What other factors did you consider?
- The Happy Meal is mentioned as something that made McDonald's popular with families. Why do you think a meal with a toy was such a successful idea? Does McDonald's still rely on this idea as much?
- The article mentions McDonald's past success with the Dollar Menu. Why was this strategy effective during the 2008 financial crisis? What challenges prevent McDonald's from easily reintroducing a similar offering today?

- Consider the role of perception in consumer choices. The article notes that fast-casual restaurants are "perceived as higher quality." How does this perception influence whether consumers are willing to pay a slightly higher price?
- The article touches on the idea of McDonald's needing to "reinvent itself." In a competitive market, what are the key factors that companies must consider to remain relevant and appeal to evolving consumer preferences?

News Break is posted to the Web on Tuesday. Please share this NIE News Break program with other teachers. To sign-up for the print replica for your class, please [register online](#) or call 206/652-6290 or toll-free 1-888/775-2655.  
Copyright © 2025 The Seattle Times Company