



## COMPARATIVE STUDY OF MARKETING STRATEGIES OF MC DONALD'S VS BURGER KING

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### ABSTRACT

Basically, this project is based on the comparative study of McDonalds and burger king with respect to their customer loyalty and branding. Both are the leading fast-food businesses in Pakistan and other international countries. Fast food is one of the most common businesses in developed countries because it takes less time to prepare and delivering to the customers. In today's ever-increasing globalization of services and brand service-oriented businesses such as fast-food restaurants need to gain the loyalty of their customers. McDonalds and burger king are in direct competition with each other and gain customer loyalty because customer loyalty is becoming key issue and concern for business particularly for fast food business it is used for measuring the organizational performance of a business. Table of difference of both brands has mentioned in this project.

**Keywords:** Marketing strategy, consumer perception, Sales promotion, Loyalty and branding.

### 1. INTRODUCTION

McDonald's uses a mix of demographic, geographic & psychographic variables to segment the market, at the same time considering changing taste & preferences. Since its inception, McDonald's has evolved itself from using a product-based positioning to using Value-based positioning strategy. In 2017, Inter brand named McDonalds as the twelfth most successful brand in the world. According to (Arumugama, T., Jayakrishna, B., Ranganathan, M., Kadiresan, V., & Mathaid, R. 2020). Inter brand, McDonald's increased their brand value by five percent from the previous year. McDonalds has entered into 117 foreign markets and draws in millions of consumers daily. McDonald's continued success is worth examining in order to discover effective global branding strategies that the company employs. "Our purpose goes beyond what we sell. We're using our reach to be a positive force. For our customers, our people, our communities, our world."

**Tagline-** "I'm Loving' It".

Burger King uses its marketing mix (4Ps) as a response to the dynamic and saturated condition of the global quick service restaurant industry. The marketing mix is a combination of strategies and tactics to effectively implement a marketing plan. In this case, Burger King's marketing mix aims to maximize competitiveness against a wide variety of players. Burger King employs various tactics to promote its products. This component of the marketing mix covers the tactics used to communicate with the target market about the firm's offers. Burger King uses the following promotion/marketing communication statics, arranged according to significance: Advertising, Sales promotion, Personal selling, public relations

Burger King relies mainly on advertising to promote its products. The company advertises online and on TV and print media. In addition, Burger King uses sales promotions in the form of coupons and other offers through its website and mobile app. The firm's restaurant personnel also typically use personal selling to encourage customers to buy more products from the menu, such as desserts in addition to what the customer already ordered. In applying public relations, the Burger King Mc Lamore Foundation gives scholarships and financial assistance for educational programs, thereby also effectively promoting and strengthening the Burger King brand. The company successfully combines various promotion tactics to address this component of the marketing mix.

Burger King's mission statement is to "offer reasonably priced quality food, served quickly, in a clean, attractive, clean surroundings." This mission statement indicates the kind of output expected from the organization. With regard to Burger King's business, this mission statement has the following main points: Reasonable prices, Quality Food, Quick Service, Attractive, clean surroundings. To be the most profitable QSR business, through a strong franchise system and great people, serving the best burgers in the world. Burger King Values- Teamwork and family, Excellence, Respect.

### 2. OBJECTIVE OF THE STUDY

- To study the advertisement and sales promotion strategies at MC Donald's and Burger King.
- To obtain the information regarding promotional strategies at MC Donald's & Burger King.
- To find out the factors that influence the sales promotion activities.

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### 3. REVIEW OF LITERATURE

McDonald's established strengths had been dual folded. Firstly, its supplier associations were significant. McDonald's acted in a flagship competence for a good networking with providers of intermediary production. Secondly, McDonald possessed accumulated positive consistency in its supply and syndication process, which was significant to customer devotion in its fast-food chain business. Despite of its affective environmental reputation. McDonald's requires the environmental concern as an opportunity to build up a competitive environmental position. The primary purpose of McDonald's is developing a vibrant position which would make environmental act as a continuing matter on the market covering all the activities of the company. The appealing characteristic of McDonald is the fact it wanted to change its regular networks with the market place by creating environmental apprehension into the whole significance chain but was expected that it might be only in a position to make it through a website with normal societal environment which didn't even want to be economically compensated for its sustainability to such strategies.

McDonald's seen the usage of the non-market fundamentals as a device in bettering the image and quality of its circulation system. For instance, McDonalds enormously increased the recycled elements of its boxes supplied by the suppliers and developed a market for the recycled items accumulated by its own outlets. Its aim was eventually for creating a first delivery service gain in comparison to rivals as a result of any advantaged network with non-market drives. More specifically, McDonald's innovative energetic ability in working with environmental concern got a threefold bottom part inspired by Environmental Defense Account where environmental problems needed to be noticed as significant in every of McDonald's supply chain performance.

This is a widespread fact that Burger King globally expanded later than its main fast-food competitors, such as Mc Donald's, Subway, etc. Thus, this fact created some advantages and disadvantages. The main disadvantage of this later entry is that relevant suppliers can operate in some small markets and therefore there will be strong business competition. The main advantage of this is that a later participant can be very successful and favorable since earlier participants created some demand for fast food and organized food system infrastructure. Entering another country, Burger King could focus on emphasizing its own products and services.

Despite this fact it is necessary to remember that local restaurants, paying attention to the successes of their foreign fast-food rivals, can change their main menus and consequently address to various local tastes. As we know two-thirds of Burger King's restaurants and revenues are in its Americas region and only one-third elsewhere. Thus, the company should change this relationship because this change will help Burger King expand its opportunities, attract more customers and thereby increase its revenues from sales. The implementation of strategically relevant activities and tools will help to change this relationship and increase the company's competitiveness at the global market.

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### 4. RESEARCH METHODOLOGY

This chapter focuses on research methodology that was used in the study. It provides a detailed description of the research approach adopted in this study. Research design, target population, research instruments, data collection and analysis methods used were presented in the subsequent sections.

**Research design** This study used descriptive research. Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection. It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution and therefore offered a better clarification on online advertising, and ultimately gives a clear picture on the effectiveness and reliability of online advertising and its relationship to purchase decision. The main characteristics of this method is that the researcher has no control over the variables and he can only report what has happened or what is happening.

**Population of the study** targeted the students and working professionals because of their back ground diversity and exposure to a advertising with a larger percentage using the internet and therefore, the chances for the accessing online advertising via social media are very high.

**Sample design** Convenience Sampling was used in the study. A convenience sample is a type of non-probability sampling method where the sample is taken from a group of people easy to contact or to reach. In other words, the sample comprises subjects who are simply available in a convenient way to the researcher. There is no randomness. With this sampling method data can be easily collected from the target group. Data collection the research made use of primary data, which was collected using questionnaire distributed to the respondents through Google forms. Sample size is the total number of samples selected for the study from the sampling population. The sample size used in the study is 100 which is large sample size.

**Type of questions**, Open ended question is the type of question used to get suggestion from the respondent in order to give feed back to the organization. Close ended question is the type of questions with a clear declined set of alternatives that confine the respondents to choose one of them. It consists of multiple choices in which the respondents can choose more than one. It tries to generate some basic information to conduct research work, and for the sake of convenience or further analysis, these are coded it by assigning different numbers to different characteristics of interest. In this type of scale, a single question is posted with multiple response alternatives. Likert scale, each item response has five rating categories, "strongly disagree" to "strongly agree" as two extremes with "disagree," "neither a green or disagree," and "agree" in the middle of the scale. Typically, a 1- to 5-point rating scale is used. It uses 5 point or 7point scale to elicit respondent's favorer unfavored towards an object. In rating scale questions (sometimes referred to as ordinal questions), the question displays a scale of answer options from any range (0 to 100, 1 to 10, etc.). The respondent selects the number that most accurately represents their response. Here the scale of answer options range from 1 to 5.

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### 5. DISCUSSION

The study is a comparative analysis of advertisements and sales promotion strategies used by McDonald's and Burger King. McDonalds have made some fun and well known TV ads over the years while Campaigns are undoubtedly where Burger King's marketing shines. Mc Donald's and

Burger King compete through their various advertisements and campaigns. This comparative Study analyses and compares the advertisements and sales promotion strategies used by them.

Mc Donald's is the most liked restaurant for the users. Burger king won hearts by their Creative Ads which made the respondents want to try this restaurant next time after filling the survey. Reasons why people go to Mc Donald's: They are. Not the casual, "oh I'm so addicted to sex and the city sort of addiction", more like the nicotine variety - REAL addiction with all its physiological nuances involving opioids, dopamine, receptors and other weird sounding chemicals. Sugar addiction and SaltAddiction are real. Marketing-Happy Meals, Upsizes. Everything you experience is engineered to give you what you want. i.e., Instant gratification. They know their customers through research, they know their competitors, and they research everything! The viscosity of the ketchup to the color of the box. It tastes surprisingly good! Blame it on Evolution. They attract their potential customers with pretty good Marketing strategies and attractive pictures of the burgers which tempts their customers to try this place. They have always levelled up their Ads and service. Evolution + Marketing!

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## 6. CONCLUSION

People visited Mc Donald's often, and the reasons are mentioned below. Cost: McDonalds is cheap compared to many other food options, especially on a per-calorie basis. Convenience: They are everywhere. In some cities Mc Donalds is almost one very corner. Many locations are also open at all hours of the night. Speed: Don't have much time to eat? Well, if you need to, you can order and consume an entire McDonald's meal with in a few minutes and beyond our way. Taste: Mc Donalds tastes pretty good! Even people that don't eat Mc Donalds for other reasons will generally admit this when pressed. Reliability: When traveling, people are sometimes hesitant about eating the local cuisine. Mc Donalds provides a reliable, trusted alternative. Nostalgia: Many people were first introduced to McDonalds as kids (along with happy meals and collect able toys). Eating there can bring back some happy memories of child hood. Kids love it: Whether as a reward or a bribe, most parents know that McDonalds goes over well with their kids. Marketing: McDonalds spends a lot of money on marketing to make sure that people continue to eat there year after year! Obviously, health is not on the list. Byand large, Mc Donalds is not a healthy option, which is why a lot of people limit how much they eat their overall.

But Mc Donald's is chosen over Burger king in the beginning of the survey, King always came up with the most impactful comebacks and Ads which triggered Mc Donald's to compete and come up with equally attractive and out of the box Ads. People liked Burger King's Ads more than Mc Donald's. After watching the Ad Video in the Questionnaire many people changed their minds as to which restaurant, they would want to go next, and it was Burger king in majority. This clearly shows that Ads have made an impact. The best Burger, tongue-in-cheek humor and unflinching social commentary.

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