



## Review Paper- Marketing Strategies of McDonalds

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### ABSTRACT –

McDonald's is a globally successful fast-food restaurant. From the time of its birth, it has gain enormous success and is growing at the international level. The powerful entry through franchisee system the standardization and adaptation strategy play an important role in gaining the huge success of McDonald's and brand image of McDonald's.

The first section explores McDonald's brand positioning and its emphasis on consistency and reliability across its extensive network of restaurants. This includes an analysis of its iconic branding elements, such as the golden arches and the "I'm lovin' it" slogan, which have contributed to its widespread recognition and consumer loyalty.

Next, the abstract delves into McDonald's product strategy, highlighting its ability to adapt its menu offerings to suit diverse consumer preferences and dietary trends. This includes an examination of its introduction of healthier options, such as salads and wraps, alongside its core menu items like the Big Mac and Chicken McNuggets.

The abstract also discusses McDonald's pricing strategy, which encompasses a range of pricing tactics aimed at appealing to different market segments while maintaining profitability.

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**Keywords** – Brand positioning, product strategy, Pricing tactics, Digital technologies, Franchising model, Market segmentation, Menu innovation.

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### INTRODUCTION-

Marketing strategies serve as the fundamental underpinning of marketing plans designed to fill market needs and reach marketing objectives. Plans and objectives are generally tested for measurable results. Commonly, marketing strategies are developed as multi-year plans, with a tactical plan detailing specific actions to be accomplished in the current year. Time horizons covered by the marketing plan vary by company, by industry, and by nation, however, time horizons are becoming shorter as the speed of change in the environment increases. Marketing strategies are dynamic and interactive. They are partially planned and partially unplanned.

Marketing participants often employ strategic models and tools to analyze marketing decisions. When beginning a strategic analysis, the 3Cs can be employed to get a broad understanding of the strategic environment. An Ansoff Matrix is also often used to convey an organization's strategic positioning of their marketing mix. The 4Ps can then be utilized to form a marketing plan to pursue a defined strategy.

The McDonald's Corporation is one of the most successful global restaurant chains around the world. They have used effective management and global expansion strategies to enter new markets and gain a share of the foreign fast-food market. McDonald's has achieved this enormous success, its best practices in the global food industry, international growth trends and challenges, and various lessons that have been learned from their expansion in foreign countries. This shows how McDonald's creates both customer and brand loyalty for their products and services.

In 1937 Brothers Dick and Mac McDonald open a hot dog stand called the Airdrome at the airport in Monrovia, California & in 1940 the brothers move the Airdrome building to San Bernardino, California, where they open the first McDonald's restaurant. Although McDonald's did not invent the hamburger or fast food, its name has become nearly synonymous with both.

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## **HISTORY OF MCDONALDS INDIA: -**

McDonald's entered the Indian market in 1996, opening its first restaurant in New Delhi. However, the fast-food chain faced some initial setbacks due to India's strict food regulations and cultural differences. For example, McDonald's couldn't serve beef or pork products in India due to religious sensitivities. To overcome these challenges, McDonald's had to make significant changes to its menu and approach.

### **Customizing the Menu for the Indian Market**

To cater to the Indian consumer, McDonald's introduced a range of vegetarian options, including the McAloo Tikki burger, which is made with a potato and pea patty, and the McVeggie burger. The fast-food chain also introduced the Chicken Maharaja Mac, made with chicken patties and a variety of Indian spices, to cater to the non-vegetarian Indian palate. In 2017, McDonald's India launched its first-ever vegetarian menu in the world, featuring items such as the Pizza McPuff and the Masala Dosa Brioche.

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## **VISION OF MCDONALDS –**

Our vision is to be the world's best quick service restaurant experience. That means that our restaurant will be the best place for our customers to enjoy fast, friendly services ..... fresh food favorites..... a clean welcoming environment..... and a fun experience at a fair price.

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## **OBJECTIVE OF MCDONALDS: -**

The primary objectives of McDonald's encompass various aspects of business performance, customer satisfaction, and corporate responsibility. Here are some key objectives:

**Profitability:** Like any business, McDonald's aims to generate profits and ensure financial sustainability.

**Customer Satisfaction:** McDonald's strives to provide an exceptional dining experience for its customers. This involves maintaining high food quality standards, ensuring prompt and friendly service, and continuously seeking feedback to improve customer satisfaction.

**Global Expansion:** McDonald's has historically pursued a strategy of global expansion, aiming to increase its presence in both established and emerging markets worldwide.

**Innovation:** McDonald's is committed to innovation in its menu offerings, operations, and customer experience.

**Employee Development:** McDonald's recognizes the importance of its employees in delivering quality service and maintaining brand reputation.

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## **CORE VALUES**

Our vision is supported by a set of core values:

- We are dedicated to providing customers unparalleled levels of quality, service, cleanliness, and value. It is what RAY KROC taught us.
- We are committed to our people because we know that a diverse team of well-trained individuals working together is the key to our continued success.
- We approach all aspects of our business with honesty and integrity.
- We always give back to the communities in which we do business.

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## **KEY RESULT AREAS**

**Sales Growth:** Increasing revenue and sales volumes across its global network of restaurants is a fundamental KRA for McDonald's.

**Customer Satisfaction:** Ensuring high levels of customer satisfaction is essential for McDonald's success.

**Franchise Performance:** McDonald's relies heavily on its franchisees to operate its restaurants globally. success.

**Employee Engagement and Development:** Ensuring employee satisfaction, engagement, and development is crucial for McDonald's, as its employees play a significant role in delivering excellent customer service.

**Franchise Performance:** McDonald's relies heavily on its franchisees to operate its restaurants globally.

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## **MARKETING MIX –**

MCDONALDS MARKETING MIX (5 P'S)

After segmenting the market, finding the target segment and positioning itself, each company needs to come up with an offer. The 5 P's used by McDonalds are:

**Product:** How should the company design, manufacture the product so that it enhances the customer experience? Product is the physical product or service offered to the consumer. Product includes certain aspects such as packaging, guarantee, looks etc. This includes both the tangible and the non-tangible aspects of the product and service.

**Place:** where should be the product available and the role of distribution channels

The place mainly consists of the distribution channels. It is important so that the product is available to the customer at the right place, at the right time and in the right quantity. Nearly 50% of U.S.A is within a 3-minute drive from a McDonald's outlet.

**Price:** What should be the pricing strategy? Pricing includes the list price, the discount functions available, the financing options available etc. It should also take into the consideration the probable reaction from the competitor to the pricing strategy.

**Promotion:** What is the suitable strategy and channels for promotion of the product? The various promotion channels being used by McDonald's to effectively communicate the product information are given above. A clear understanding of the customer value helps decide whether the cost of promotion is worth spending.

**People:** How to converge the benefits of internal and external marketing?

McDonald's understands the value of both its employees and its customers. It understands the fact that a happy employee can serve well and result in a happy customer.

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## ANALYSIS OF MCDONALDS -

### COMPETITORS ANALYSIS

McDonald's has been a leading fast-foods outlet in Vile Parle. But the outlet understudy has other competitors eating away into its market share. In addition to its traditional rivals—KFC, Dominos, Pizza Hut—the firm encounters new challenges. Jumbo King competes using a back-to-basics approach of quickly serving up burgers for time-pressed consumers.

Competition also reduces product lifecycle; inducing firms to revise their products portfolios and to revisit their product market to understand changing needs, expectations and perception of different market segments. The new McBreakfast would be introduced between 6 to 11 am as a pilot project. This would open up a whole new revenue stream for McDonald's by tapping into the student and working population by providing a healthy and wholesome breakfast. This shows how demographic shift can affect the demand for products and services. McDonald's has anticipated these changes to maintain its competitive edge.

### LIMITATION OF MCDONALDS

**Dependency on Franchisees:** While McDonald's franchise model has contributed to its global expansion, it also means that the company has limited control over individual franchise operations.

**Health and Nutrition Concerns:** McDonald's has faced criticism and scrutiny regarding the nutritional content of its menu items, especially in relation to obesity and other health issues.

**Competitive Pressure:** McDonald's operates in a highly competitive industry with numerous competitors ranging from other fast-food chains to local eateries and emerging food delivery services.

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## RESEARCH METHDOLGOY –

**Marketing Research** Marketing research is the function, which links the consumer, customer and public to the marketer through information.

Information used to identify and define marketing opportunities and problems: generate, refine and evaluate marketing action, monitor marketing performance, and improve understanding of market as a process.

Marketing strategies of Samsung vary in their specific objectives. They may be used to correct new customer, to reward loyal customer 's ad to increase the repurchase rates of occasional users.

**Sources of Data** In this study the for most data collection instrument used is the questioner's method. The questioner has been designed with both open ended and close ended questions

**Primary Data** Here first-hand information is obtained by distributing printed questioners to the marketing executives of the company. Data was also obtained from the observation and interviews techniques adopted by the researchers.

**Secondary Data** Here the information is obtained from the brochure of Samsung group, books, websites, newsletter, generals, magazines, newspaper, etc.

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## RESULTS AND RECOMMENDATIONS –

### RESULTS

**Financial Performance:** McDonald's has maintained strong financial performance, consistently generating significant revenue and profits

**Global Expansion:** McDonald's continues to expand its presence globally, opening new restaurants in both established and emerging markets.

**Brand Recognition:** McDonald's remains one of the most recognizable and iconic brands worldwide

**Menu Innovation:** McDonald's has successfully introduced innovative menu offerings to meet changing consumer preferences and dietary trends.

### SUGGESTIONS

Focus on Healthier Options, Improve Franchise Relations, Digital Engagement strategies,

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## CONCLUSION-

"The in-store format enables a quick roll-out of a McCafé with an investment of Rs 30-35 lakh per outlet across key trading areas in metro cities of West and South India. Within a span of 18 months McDonald's have expanded the McCafé network across 41 restaurants in six cities Mumbai, Ahmedabad, Nashik, Aurangabad, Pune and Bengaluru.

McDonald's has invested about 7bn rupees in India since it entered the market in 1996 and reported growth of about 40%. India has a population of over 1 billion and an emerging and affluent middle class. The food chain has tailored a number of its products to the Indian market, including the Paneer Salsa Wrap, Mcspicy and Indi-Mcspicy, McAloo Tikki and the mutton specialty for a country which does not eat beef, the Chicken Maharaja Mac. "In the next two years, we should finally have a menu that is entirely relevant to the Indian household," Mr. Bakshi said.

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