



McDonald's

The reasons behind Macdonald's success

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McDonald's is an American fast food company, founded in 1940 as a restaurant operated by Richard and Maurice McDonald, in San Bernardino, California, United States.



McDonald's is the world's largest restaurant chain by revenue¹, serving over 69 million customers daily in over 100 countries .Although McDonald's is known for its hamburgers, they also sell cheeseburgers, chicken products, french fries, breakfast items, soft drinks, milkshakes, wraps, and desserts.



McDonald's Marketing Secrets

Who did not eat McDonald's before? Or at the very least of us do not know the brand of the most famous fast food restaurants in the world? Let's get together in the next few steps on a company's strategy that exceeds the financial income of half of the world.

The success of McDonald's was initially rated as the equivalent of the American dream, although it was not the first business in the field of franchising or franchising (granting the right to use the trademark to third parties according to certain regulations) and now it is the best model for success in business. It became a model of globalization because wherever you go you will find the same foods and uniform for its employees and of course the famous logo around the world.

McDonald's was founded by the American company Ray Kroc in 1940 and is one of the largest fast food chains in the world with more than 35,000 branches in more than 100 countries around the world, including McDonald's in China..

We may wonder about this amazing success and how it has been going on over the years. McDonald's always aims to build its own brand and work to strengthen it by listening to its customers and setting different stages in its marketing process. That the image of the company (Brand) centered on the client's vision of the company and the extent of his conviction and satisfaction.

If we are going to talk about the reasons that helped McDonald help to maintain its success and strengthen its branding and marketing, we shall first talk about one of McDonald's main reasons for growth,

A real estate company and not just a chain of restaurants

One of the most important challenges that Ray Kroc and McDonald's faced in the beginning was obtaining finance for land purchases and building restaurants where the profits of existing branches were not sufficient (Kroc was profiting from the Franchise system). Harry Sonnenborn (one of the money and business geniuses) A land sales and leasing company whose activity is based on leasing land to those who want to get Franchise from McDonald's

As a result, this real estate company has become a huge source of income for McDonald's in two directions. The first is the sale and purchase of land as a purely real estate activity. The second is to give Franchise rights, as we mentioned. This marketing strategy, which was caused by the real estate company, encouraged future investors to invest in McDonald's shares. Which is a third source of profit. So it has to be another important dimension other than providing high quality food.

And of course you can not hide the marketing intelligence of the management of the chain of restaurants where the selection of land in which the restaurants will be established in the attractive areas (commercial and recreational areas) where there is no better than to go shopping and hiking with your family or friends and find a smooth Your favorite restaurants are in the same place.

Let's start now with the first step to meet customer needs:

There are a limited number of customers in the market. Therefore, when building a long-term business, you must retain the customers who have become your customers, but how will you meet their needs? Customers are not similar and market research leads to different patterns of them visiting McDonalds:

- 1 - Small families with their children: come to McDonald's to give their children a kind of surprise or joy
2. Children themselves: looking for a place to have fun and fun with food
- 3 - Business owners: want a quick service with a good taste and not harmful to eat quickly in the car without affecting the busy agenda
- 4 - Teens: Want the offers offered and welcome the restaurants.

After identifying this marketing strategy, here are some important information about McDonald's:

1. The ninth largest brand in the world according to the 2015 statistics with a purchase value of 39.809 billion dollars.
2. In the context of social and religious factors in McDonald's marketing community, there is no beef hamburger in India because the cow is sacred to the Indian people and a vegetarian hamburger is sold instead.
3. McDonald's is one of the constituents of the Dow Jones industrial average (DJIA), an industrial index of the top 30 US industrial companies on the New York Stock Exchange.
4. One in eight people in the United States worked at McDonald's at one time or another of his life.
5. McDonald's sells 68 million meals a day - equivalent to feeding 1% of the earth's population daily.

6. Queen of England does not prefer Burger King! It owns a McDonald's branch as part of its property adjacent to Buckingham Palace in London.

7. McDonald's distributes a billion and a half games a year with its meals, making it the largest toy retailer in the world and bigger than any other gaming company (do not forget children as a target segment as we mentioned in the market research)



McDonald's distinguished through

Growth Strategies

It is well known that in the marketing plan after the analysis part and the development of the target part strategies and used which of growth strategies are one of 4

1-Market Penetration

Market penetration .. using the same product and the same target market.

2-Market Development.

Developing the market .. by creating a new market for the same product.

3-Product Development.

Development of the product .. by making modifications or a new product for the same target market and the same field

4-Diversification

Diversity .. Using a new product in a new market and a new field.

Marketing mix for McDonald's:

Product Policy

The first thing we will talk about in the McDonald's marketing mix is the product brand because the product is the most distinctive of any company.

McDonald's restaurants are known for their hamburger sandwiches, which form the company's culture and propaganda image in different parts of the world. McDonald's, however, offers many other products that have contributed to the success of the company and attracted more customers who do not like to eat hamburgers or prefer other foods.

McDonald's menu offers many different shapes for non-hamburger sandwiches, chicken and fish dishes and salads, soft drinks, fruit juice, ice cream and coffee..



Price policy

Price policy

Anyone who goes to McDonald's will notice that the proposed meal prices are high compared to the prices offered by other restaurants. On average, one McDonald's price of one hamburger is about \$ 7, while other restaurants, especially popular and less sophisticated, offer hamburgers with the same ingredients But priced from \$ 3 to \$ 5.

The reason for this is that McDonald's considers that the price is not only about the components of the product and the cost of production, but also the mental image that you want to plant in the mind of customers. McDonald's always wants to be distinguished from the rest of the competing restaurants, and wants to tell customers through its marketing mix and suggested prices that it offers meals and dishes of quality that no one can offer.



Distribution policy

McDonald's restaurants are located in more than 110 countries, with a total of 36,000 restaurants of all kinds. For example, there are restaurants for cars and drivers only, called Mc Drive. There are restaurants dedicated to coffee, ice cream and other drinks. Only, in addition to comprehensive restaurants that offer all forms of meals and serve all kinds of customers ...

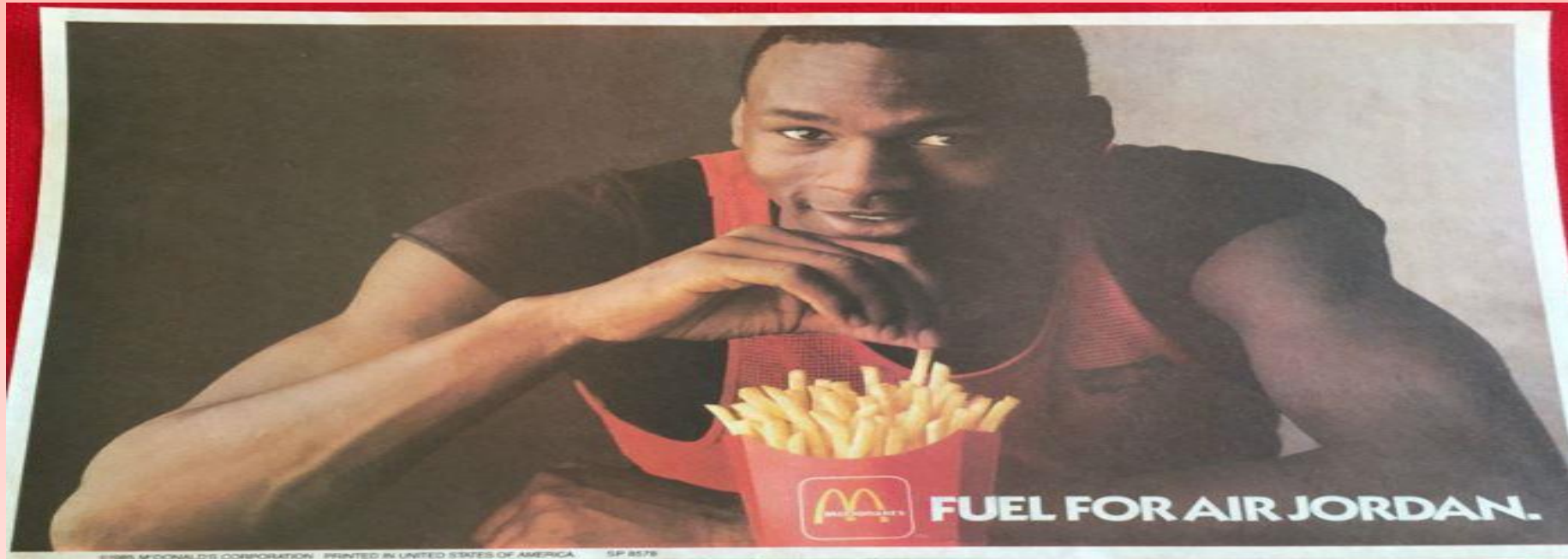
McDonald's also relies on mobile sales, as they are temporary huts when there are major sporting or cultural events, and in some countries they rely on the Internet to sell their meals and deliver them to customers' homes in very short times.



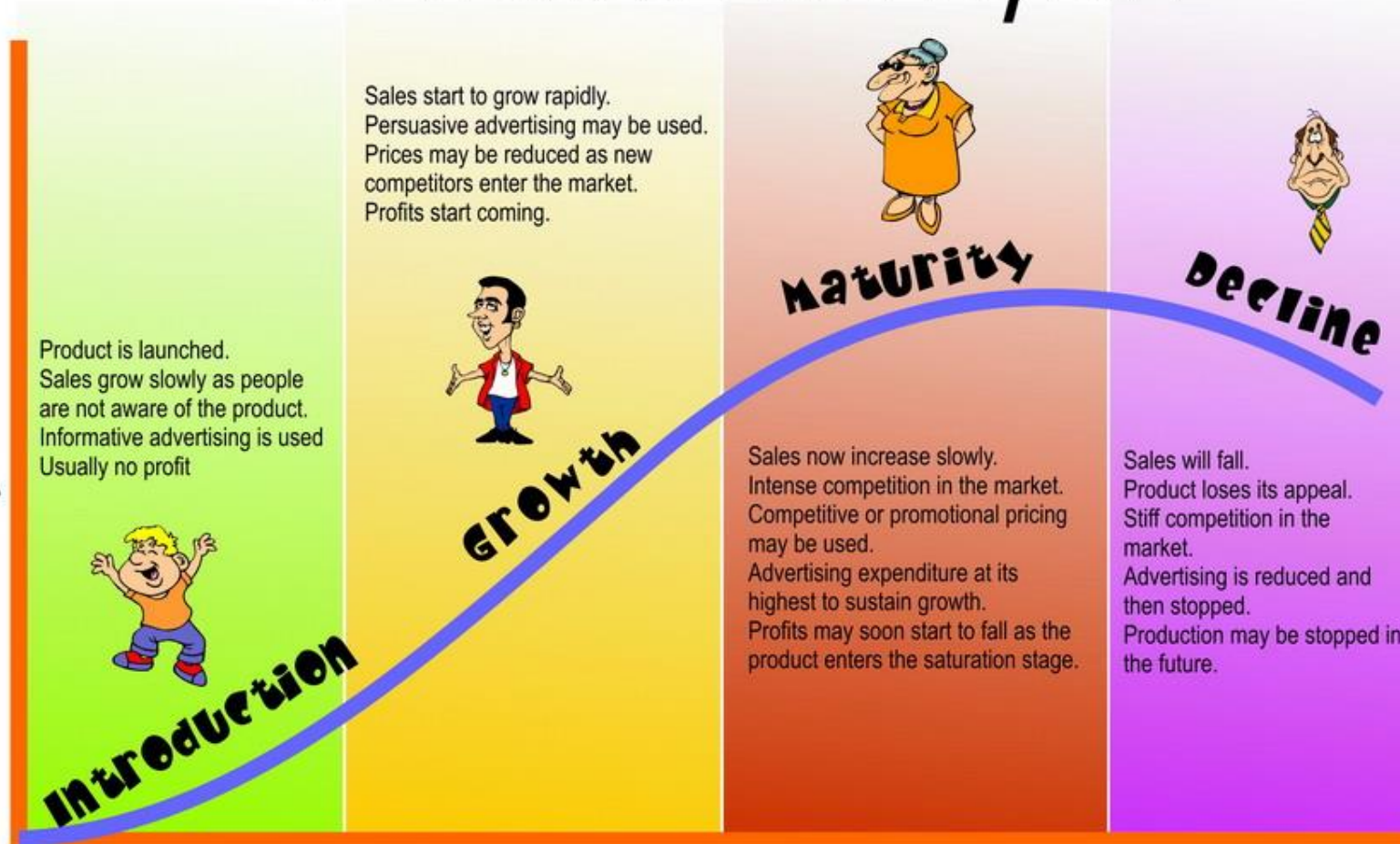
Promotion Policy

In promoting the marketing mix of McDonald's, we must point out that advertising campaigns are the most prominent method used by the company to market its restaurants and products. In order to attract the largest number of customers, the company uses advertising campaigns, especially in television, radio, newspapers and magazines, and also in social networking sites, and it uses advertising panels in the cities where the restaurants are located.

For example, McDonald was the official sponsor of many sporting events, most notably the 1994 World Cup, the official sponsor of the NBA and the Olympic Games ... In addition, the company uses the fame of many international personalities to advertise their products and restaurants, including The characters include American basketball legend Michael Jordan and famous singer Justin Timberlake ...



Product Life Cycle



How has McDonald's maintained its success for over half a century?

1. Stability and coordination

Kruk's slogan was "Quality, Service, Cleanliness, Value." He believed in this slogan to the point that he founded a training center called Hamburger University. His curriculum is based on these four principles.

Since then, the Center has been teaching McDonald's new franchisees how to manage their restaurants in the same way as Crock for more than 50 years, maintaining the same experience with the same standards of efficiency over the years.



2- Innovation

- At first sight this may seem contradictory to the previous element, but in fact the elements of "stability" and "renewal" involved in making the historical success of the mark.
- The commitment to specific management standards and principles does not mean neglecting the renewal of the quality of products and services provided. The innovation is to respond quickly to the changing requirements of customers and franchisees, thus resisting the stagnation of activity over time.
- Along with the renewal of the quality and taste of meals over the years thanks to the innovations offered by franchisees around the world, and the most famous meals developed by these "Big Mac"
- The administration is keen to ensure that this innovation does not conflict with customer service standards. According to James Skinner, former CEO of McDonald's, the brand does not offer any new product on its list until it has been fully assured of the ability to process it and deliver it to the customer as quickly as possible. .



3-Flexibility and responsiveness

One of the biggest reasons for McDonald's success is his ability to overcome the crises he has experienced throughout his history. He has faced many lawsuits against him for a variety of reasons, but the company has usually identified the problem and allocated all resources available to address it.

- First example: Most of the crises faced by the mark related to health concerns, especially the health of children, so the company established the "International Advisory Council" in 2004, consisting of a group of independent experts to provide specialized consultations on nutrition and health of children, and added more meals to health standards Such as salads, fruits.

Second example: In the mid-1980s, the chain faced the biggest challenge in its history when some environmentalists in London accused it of having a meal-processing practice that had devastating effects on public health and the environment,



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Thank You

