

Major aspects if the marketing plan

[Business](#), [Marketing](#)



This three year marketing plan has been formulated to curb the negative effects on the perception about the McDonald's Corporation of the larger community. Further, it is the intent behind the formulation of this plan to make positive use of all the negative publicity targeted towards McDonald's by criticisms such as those raised by the documentary film " Super Size Me" and the book and film of the same title, " Fast FoodNation", as publicity although negative brings with it the focus and spotlight of the media on the company and any efforts on the part of the Corporation to resurface as an advocate of healthy living will be publicized with as much fervor by the various media.

The plan involves an operational as well as marketing shift in focus towards a more healthy life and a balanced diet while promoting healthy habits such as working out as well as encouraging the youngsters of the country to pursue higher education and save money for college.

Major Aspects if the Marketing Plan

This plan is spread over a time p of three years, outlining the product, pricing, distribution and promotion strategies to be implemented and executed during this time. The plan takes into consideration that while the McDonald's brand image is one of its greatest strengths, this strength is slowly waning away under the intense scrutiny and attention of the media towards the various criticisms launched against McDonald's and thus it proposes a revitalization of the McDonald's philosophy so as to focus on the youth and value a healthy lifestyle, healthy eating habits, smart choices and education.

The plan also outline the structural issues that may arise during its implementation and execution, tactical initiatives to turn strategy into action and methods, means and measures for the evaluation and control of the marketing effort through regular marketing audits.

The concentration on targeting the marketing efforts towards youngsters will mean a shift from marketing efforts targeted towards children in order to get to their parents' pockets. This will also mean that the primary target market then will be between the ages of 18 and 35, whereas the secondary market will include other age groups as well.

Situation Analysis

Analysis of Internal Environment

Since it is the world's top fastfoodcompany in terms of sales, it is hard to believe that McDonald's has only recently recovered from a severe and persistent downturn in sales. CEO Jim Skinner's strategy for bringing the fast food giant back on its feet has been based largely on improving the quality of food instead of expanding rapidly and increasing the number of locations where McDonald's is available.

Furthermore, out of a total of almost 31, 000 restaurants in around 120 countries worldwide, 75% are being run by franchisees rather than by the corporation itself. In addition to improving food quality through upgrading of facilities, the McDonald's Corporation has also been consciously attempting to decrease the number of company run outlets, with the plan of transferring

ownership of 2300 locations to licensees by the year 2008. (McDonald's Corporation Company Profile)

Analysis of Customer Environment

“ With the successful expansion of McDonald's into many international markets, the company has become a symbol of globalization and the spread of the American way of life” (Wikipedia). The ‘ American way of life’ is fast paced, always on the go, technology driven and consistently changing; with divorce rates increasing and the number of single parent families on the rise.

The world over, the number of women in the workforce is increasing year by year, contributing to the rise in families with both parents working. “ Fast food restaurants differ from full-service restaurants in that customers generally order and pay before eating” because the typical fast food customer is in a hurry and demands a quick meal. The typical fast food consumer is between the ages of 18 and 35, with no children. (Fast Food and Quickservice Restaurant Industry)

Analysis of External Environment

According to Hoover's profile of the Fast Food and Quickservice Restaurant industry, demand in the industry is driven by “ personal income” and “ demographics and “ the profitability of individual companies depends on efficient operations, effective marketing, and the ability to provide fast service”. Also, large companies are at an advantage because they can efficiently reap the benefits of economies of scale, making money out of

volume rather than big margins (Fast Food and Quickservice Restaurant Industry).

The top competitors for McDonald's are Burger King, Subway and YUM! Foods (McDonald's Corporation Company Profile) although " fullservice restaurants; supermarkets; delis; convenience stores; snack shops (donut or bagel shops); cafeterias" and other companies that offer prepared food are all part of the competition (Fast Food and Quickservice Restaurant Industry).

SWOT Analysis

Strengths

Being a multinational company with operations in over 120 countries of the world, McDonald's global presence and its sheer size as an organization is a huge strength, enabling it to benefit from economies of scale and profit sanctuaries. Other than that, McDonald's ability of adaptation to local cultures wherever it appears on the globe has enabled it to expand across borders, countries and continents; a feat made possible by the strategy of operating through franchisees and licensees. The other great strengths of McDonald's are its brand image, brand equity and expansive financial resources.

Weaknesses

The one weakness of the McDonald's Corporation is its inability to adapt to changing tastes. Like most big companies, McDonald's is to an extent a

victim of its own success, a giant that is slow to wake up to problems and challenges.

Opportunities

The opportunities for McDonald's as a multinational fast food company lie in developing countries which are home to growing markets of fast food and in developed countries where adults remain largely untapped as a market for fast food.

Threats

McDonald's faces the threat of immense competition from its top competitors; Burger King, Subway and YUM! In addition to this, threats are also posed by the issues raised in the book Eric Schlosser titled "Fast Food Nation", the movie of the same name and the documentary film "Super Size Me" by Morgan Spurlock.

Schlosser's book alleges that McDonald's among other fast food companies "uses its political influence to increase their own profits at the expense of people's health and the social conditions of its workers" while also questioning McDonald's practice of advertising tactics which target children. Spurlock's documentary film, featuring himself as the participant in an experiment where for 30 days, he ate only McDonald's food raises similar allegations, proclaiming that "McDonald's food was contributing heavily to the epidemic of obesity in American society, and failing to provide nutritional information about its food for its customers" (Wikipedia)

Analysis of the SWOT matrix

In light of the SWOT analysis conducted above, it may be concluded that McDonald's possesses the capability of overcoming the threats posed by negative publicity caused by the films such as "Fast Food Nation" and "Super Size Me" and various other social activists because it has access to the financial resources which would be required to curb this negative publicity. The only thing lacking is a specific focus of the management on this issue and its resolution.

Developing competitive advantages

McDonald's can develop competitive advantages by becoming a socially responsible and aware organization, especially by actively supporting a cause which cancels or nullifies the impact of the aforementioned negative publicity. It is proposed that McDonald's concentrate on social responsibility and public relations by supporting a cause which it can internalize into the organization. The proposed cause is the physical and mental well being of youngsters which includes leading healthy lives free from eating disorders such as obesity, anorexia, bulimia etc and a college education.

Developing a Strategic Focus

To fight the ongoing battle against negative publicity against McDonald's it is suggested that the McDonald's Corporation develop a strategic focus on resolving this issue and through this resolution pave the path for future development and growth of the company. It is proposed that McDonald's

create this strategic focus by concentrating marketing efforts towards youngsters between the ages of 18 and 35 rather than the McDonald's trademark of the use of 'ester power' to influence children.

Marketing Goals and Objectives

Marketing Goals

The goal of marketing according to this plan will be to use marketing communications with the intent of converting the negative publicity targeted towards McDonald's into positive and turn it into an advantage for the company.

Marketing Objectives

The objective of the marketing campaign will be to nullify the negative perception regarding McDonald's that it is contributing towards the spreading of the "epidemic" that is "obesity" and establish that McDonald's is a healthy organization which believes in and values physical fitness as well as personal wellbeing and self esteem.

Marketing Strategy

The marketing strategy throughout the tenure of this plan will be to focus on youngsters and students, seeking to culminate the habit of working out and eating healthy, making smart choices and supporting education of the youth of the world.

Primary Target Market

The primary target market for McDonald's is students and youngsters between the ages of 18 and 35. The secondary target market includes people of all ages who are looking for a quick, yet fulfilling meal as well as children who otherwise run away from eating and would rather play in the park than be home at meal times.

Product Strategy

McDonald's will offer its usual, popular products that it is known for, however it will start printing nutritional content on the actual packaging of the product in legible font size, black in colour. However, the quantities of the contents will be reconsidered and changed according to the daily requirement of each by the human body to remain fit and healthy.

Pricing Strategy

McDonald's will offer student discounts at its outlets for students living away from home, granted on products specially designed for students redeemable on showing student identity cards at the time of purchase.

Distribution Strategy

Distribution will be carried out in the usual manner through company owned and franchised outlets and kiosks.

Integrated Marketing Communication Strategy

The integrated marketing communication strategy will involve the extensive use of advertising and public relations to publicize McDonald's effort of supporting healthy eating habits and making smart choices.

Marketing Implementation

The marketing strategy outlined above will be implemented through an extensive media, supporting PR plan and a massive revitalizing effort designed to convert the effects of the negative publicity brought on by issues raised in " Super Size Me" and " Fast Food Nation" by focusing on students and youngsters.

Structural Issues

The structural issues that will be faced during the implementation of this marketing plan may include employee resistance, inconsistencies between company run and franchised eateries and slow conversion from the past practices to the ones proposed in this plan. A major structural issue will be faced in shifting the marketing and operational focus on to young adults instead of that which was previously on children through advertising the McDonald's toys given away with the Happy Meals and the famous Play Places.

Tactical Marketing Activities

The tactical activities will include a number of youth oriented programs, which will support healthier eating habits for both, those who eat less then is

healthy as well as those who eat more than is healthy, smarter choices by young people and assistance with educational endeavours.

Jobs at McDonald's outlets will be publicized to be open for candidates who are studying at school, college and/or wish to save for a college education; nutritional content will be printed on the packaging of products and will be re-proportioned to be aligned with the requirement of a young healthy human body; public service messages regarding eating disorders such as anorexia and obesity will be funded; Club McDonald's will be founded where youngsters with eating disorders and the will to take control of their situation will be provided with expert counseling, interaction with others youngsters facing similar problems along with the comfort of knowing that they are not alone.

Evaluation and Control

Since the goals and objectives of this plan focus on dealing with the negative perception regarding McDonald's caused by such criticisms as posed by media such as " Super Size Me" and " Fast Food Nation", the evaluation and control measures will also focus on measuring the impact of the marketing effort on such perceptions.

Formal controls

Formal controls will include the establishment of performance targets for each of the tactical initiatives proposed in this plan on regular intervals, ensuring that these targets are met, and if this is not so then ascertaining

the reasons for exceeding or failing to meet these targets on the part of those held accountable.

Informal controls

Informal controls will take the form of feedback forums on the websites for each tactical initiative as well as the reviews of participants/member of Club McDonald's.

Implementation Schedule and Timeline

This plan will p over a period of three years, after which the goals and objectives would have been met in the manner that is outlined in this plan. Each initiative will be timed according to the best possible situational conditions which are conducive the successful implementation of the initiative. McDonald's will resurface as an advocate of healthy living, smart choices and education for all.

Marketing Audits

During the three year life p of this marketing plan, marketing audits will be conducted at regular intervals, that once after every quarter of a year meaning that there will be a total of 12 marketing audits conducted throughout the 3 year time p of the marketing plan.

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