

# Marketing plan assignment

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



McDonald's Marketing Plan to healthier eating among children and adolescents. Executive Summary Last Month McDonald's announced they were in the process of providing healthy food options for both children and adults. McDonald's plans to significant changes in their marketing strategies by increasing access to fruits and vegetables to influence the health-related behaviors of children. They will be providing customers in 20 of their largest market which accounts for about 86% of their total profit margin a choice of fruits and vegetables and or a choice of a side salad as a substitute for French Fries in adult menu combinations.

Their main focus and largest project they are launching is related to the promotion, advertisement, and changes in their Happy Meals for children. McDonald's will not start promoting fruits, vegetables, low/ reduced-fat dairy, or water options for kids in a fun way to ensure that their advertising is aimed at children to include messages about nutrition and children's well-being message. Due to the increase levels of childhood obesity McDonald's is taking the first steps in providing healthy options for children. McDonald's brand mission is to be our customers' favorite place and way to eat and drink.

Our relied operations are aligned around a global strategy called the Plan to win, which center on an exceptional customer experience – People, Products, Place, Price and Promotion. We are committed to continuously improving our operations and enhancing our customers' experience. McDonald's is still currently deciding between two new slogans to promote children's health; "Fun Nutrition" and "Children's Well- Being". McDonald's target market is

both children and parents to get children interest in healthy eating and to get parents to give their children better food options when eating out.

**Current Marketing Situations** McDonald's was founded May 15, 1940 in San Bernardino California and the McDonald's Corporation April 15, 1955 in Des Plaines, Illinois. There Ray Crock found a small restaurant which has become a successful business. Some years later June of 1979 the Happy Meal was introduced specifically marketed at children. The Happy Meal consisted of a main item (hamburger, cheeseburger, or Chicken Nuggets) a side item of fries, and a soft drink. Also it was accompanied with a toy. In the last few years McDonald's has broadened the Happy Meal and gave children more choices.

Minimizing the size of the fries and adding apples to eat Happy Meal. The McDonald's Corporation is the largest chain of hamburger fast food restaurants serving around 68 million customers daily in approximately 119 countries. In 2012, McDonald's Corporation had annual revenues of 27.5 billion, and profits of 5.5 billion. McDonald's Marketing plan By withers not only among children but adults as well. The United States is in the place of promoting health due to the rapid growth of weight related diseases among children.

Americans on average consume nearly 30 pounds of French fries a year. Also Americans eat about three hamburgers a week, averaging 1.56 burgers per person a year And many Americans they get their fast food –about 1 billion pounds of beef and 3.4 billion potatoes at, McDonald's. Fast food chains like McDonald's spend a large amount of marketing to get the attention of

children. Us as humans form our eating habits as children. Children as they grow up keep the same eating habits and fast food chains try to nurture children when they are young leading to adult's consumption of fast food.

It's becoming increasingly competitive in this market because many Americans don't associate McDonald's with healthy eating. It's very important that McDonald's make sure their food for children is healthier.

**Market Description** The market of fast food chains is growing dramatically. Even with the promotion of healthy eating Americans still have a high demand for quick and easy meals. McDonald's used demographic segmentation strategy with age as the consideration. The main target segments are children and because children are more attracted toward toys McDonald's has a competitive advantage.

Many other fast food chains children's meals doesn't consist a child's toy. Currently in the market there are many fast food chains that promote directly to children but to adults. Now in the market fried chicken has become popular, turkey burgers, and now fries, which consist of less trans-fat. The popularity of a particular restaurant depends on consumer's consumption. Fast food restaurant also distinguish themselves on their prices. McDonald's is known for their promotions; dollar menu, monthly deals, and their monopoly game. Other restaurants are beginning to compete for a customer base.

Most fast food restaurants are beginning to promote cheaper prices and other promotional deals. McDonald's has established many loyal consumers because of the toys they offer in the happy meal. Some adults are even

attracted to specific toys because they are collectors. McDonald's typically places a toy in the Happy Meal that relates to the latest trend such as a new movie release. But children have been loyal customers to the McDonald's industry. Like I earlier discussed children is the target market for McDonald's. Children want foods that taste good along with entertainment.

The Happy meal provides just that. Due to the popularity of toys McDonald's placement of a toy in a meal for children was a competitive advantage, which benefits the company. Also some McDonald's have a play area for children, and children want a fun place to eat which is another benefit in their advantage. The economic market had also a huge factor not only on McDonald's but the fast food industry as a whole. McDonald's in the last decade has promoted eating fruits and salads by adding it to their menu, but the chain has experienced flat sales.

During recessionary periods consumers tend to spend less on buying out at particular restaurants or choose cheaper options. Because the healthier options are now going only going to reap the benefit of the campaign but also lean towards other options and other restaurants. Consumers are going to lean toward the value meal for both themselves and their children, which don't have healthy options. Fruits and vegetables at large franchising like McDonald's tend to be more expensive in the eye of the consumer even though the price may not reflect such.

Product Review McDonald's is in the process of adding additions to their menu particularly to the Happy Meal. The main items will stay the same; hamburger, cheese burger, chicken nugget. Side item will consist of; bag of

melons, kiwi on a stick, bag of apple slice McDonald's is going to use their packaging to generate excitement for fruits and vegetables among children, and ensure that all advertising that is directed at kids include fun messages about nutrition and well-being. Beverage will consist of milk, water, or juice but customers will still have the option to buy soda with little or no advertisement.

Now the toy will be replaced with a book: the book is being included to promote literacy along with promoting healthy eating. McDonald's is now working with supply chains to ensure they have access to enough produce and add different types of produce to their menu. Also they have partnered with Clinton Foundation to leverage their scale to be able to influence more purchases of fruits and vegetables. Competitive Review McDonald's has had a slow first half of the year and their competition is steadily increasing. Franchising like McDonald's can play a major part in the health of young adults and children.

Because the federal government pressures of healthy options on menus McDonald's has faces a rising competition from several other companies. Burger King, Wendy, white castle, and subway continue to turn up the sales among consumers and are promoting healthy eating. Wendy is currently rebinding itself with a new logo, uniforms, menu items, and also restaurant renovations. Wendy also as in the past done things to promote health including changing their fries and also the salt that they use on their menu items.

Like other fast food restaurants Wendy has a grilled chicken sandwich also you are able to add a salad with almost any menu item of your choice Burger King is the first of the fast food chains to start selling turkey burgers. The burger is a limited offering as part of their new spring menu. If consumers accept it the company will most likely add it to the menu. Burger Kings new turkey burger is \$3. 99 and has 530 calories, which is 100 less than the original whopper. Along with the turkey burger, Burger King has uncovered a new way of making fries with 30% less fat than their original fries and about 200 calories less than McDonald's fries.

White Castle is now launching into the healthy market by offering more chicken options with new Grilled Chicken Sliders featuring grilled chicken breast. The new items come in three flavors Bacon and Cheddar, Savory, and Western BBC. The sliders come on the mint-slider buns and now are new choices consumers have at White Castle. Subway, which is known for serving healthy options, consumers can choose from; from bread, to deli meat, to condiments. Also they serve pups, salads, lower calorie chips and beverages of all types.

Also Subway every week has a different promotional deal, which gets consumers in the door; \$5 dollar foot longs, lunch deals, and even sometimes \$2. 00 subs. In most newspaper articles consumers are able to locate a coupon and have more savings. Action Programs McDonald's will introduce this new concept starting November 1st. The reason why McDonald's is incorporating books to their happy meal is to promote literacy and healthy eating. Coincidentally, November 1st happens to be National

Literacy Day. This is not the first time that McDonald's tries to promote literacy.

They did this about four years ago, when they included American Girl storybooks, as well as in 1988 McDonald's was giving out version of Beatrice Potter's Peter Rabbit. McDonald's plan on launching four different book titles. These books were published by McDonald's and with the help of "Publics Grouper's". The books titles include The Goat Who Ate Everything as well as Dean's Big Dreams. The moral of the books that McDonald's will include in their happy meal is how to eat healthier. In addition, the books will consist of 24-28 pages each. Customer can also find books such as, The Goat Who Ate Everything in Spanish by going to Happened. M They will be including books for two weeks starting November 1st and ending November 14th.

McDonald's plans on distributing about 20 million books in the two weeks that they will be including books in their Happy Meals. In addition, to incorporating the books into their happy meals, McDonald's will also be partnering with literacy non-profit Reading Is Fundamental. McDonald's along with Reading is Fundamental plan on giving out an additional 100, 000 books. Furthermore, McDonald's also plans on doing an interactive digital book that will be available on Haplessly. Com. For this they will partner with DC Publishing.

They hope to add different digital books every month through the end of 2014. Furthermore, in order for McDonald's to continue promoting healthy eating in their Happy Meals they are trying to improve their menu. They want to incorporate healthier food items into the Happy Meal. They are



planning on having Juice, low-fat milk as well as water for the children to drink. However they will still have the options of picking soda. McDonald's also hopes to incorporate more fruits and vegetables to their Happy Meals. Their new Happy Meals will also come with a message that will talk about nutritional facts as well being.

McDonald's goal is to finish incorporating their new and healthier Happy Meals within the next three years. However, these changes may take more time. They also plan on making these changes in their 20 largest markets. They will integrate these changes in the United States as well as other countries that are overseas. They hope to accomplish all this by the year 2020. Positioning McDonald's wants to promote healthier eating. They had to decide on a way the new produce should be defined by consumers based on the important attribute- the place the product occupies in consumers mind relative to competing products.

Therefore, they will be enhancing their happy meals. To start they are going to add books to their Happy Meals instead of toys. These books will consist of characters that are seeking to improve their eating habits. In addition to the books McDonald's also plans an implementing healthier options in their Happy Meals. They plan on adding fruits and vegetables and the option of Juice, milk, or water. McDonald's has chosen to campaign where people will notice them. In current times many consumers watch television and that's ones of their major forms in order to market themselves.

As well as right in their own stores where the consumer can come and e all they have to offer as well as new options available to them. Product strategy

McDonald's hope to make these new and healthier changes in both the United States as well as countries that are overseas. In the United States McDonald's will be making these changes first in their 20 largest markets. In regards to the books, McDonald's will only distribute them in the Happy Meals that are sold in the United States. Their goal is to help promote healthy eating and literacy; all in aligned with changing their promotion and menus externally.

**Pricing** Although, McDonald's won't be changing their Happy Meal prices soon they will have to invest in the changes they hope to make. As for the books McDonald will not change the price of their Happy Meal. **Distribution strategy** For the books McDonald's plans on having them available for the first two weeks of happy meals McDonald's will make changes both in the United States and overseas as well. Also McDonald's is now working with supply chains to ensure they have access to enough produce and to add different types of produce to their menus.

Also they have partnered with Clinton Foundation to leverage their scale to be able to influence more purchases of fruits and vegetables. **Marketing Communication Strategy** McDonald's will stick to their usual advertising techniques. They will incorporate their healthy eating choices into their commercials. Of course they will also be seen in their menu-boards. They will also be using in-store promotion. McDonald's has estimated a cost of 35 million to take the steps towards changes in the menu to suit contemporary taste and take to address health concerns about the fat and caloric content of its food. The changes will take place on their menu boards and in store

promotions and through advertising locally to promote fruits and vegetables in fun ways for children. Also as part of the new changes they will have national television advertising campaigns to help customers understand the nutritional choices available which is targeted to parents in which take their children to McDonald's. Marketing Research Budgets: McDonald's has long been advertising for Happy Meals with movie tie-ins, and the chain in 2010 also launched ads with characters such as Spaceman SST. Overall so, the chain has overall decreased its spending on the Happy Meal.

In 2011, McDonald's spent about \$92 million on the Happy Meal, close to 10% of its total U. S. Measured- Media budget, down from \$115.2 million in 2010. McDonald's, by far the nation's top restaurant ad spender, put forth \$963 million in measured media in 2011. McDonald's plans to make the changes to its menu in 20 of the company's largest markets, which account for more than 85 percent of its overall sales, including overseas. But it will take three years or more to put them into place in about half the restaurants in those markets, and the remainder may not have the changes until 2020.

This latest move by McDonald's, which it estimated would cost about \$35 million, is one in a series of steps it has taken toward changing its menu to suit contemporary tastes and to try to address health concerns raised for years by nutritionists and other critics about the fat and caloric content of its food. In addition, they will also promote nutrition and wellbeing through fruits and vegetables in "fun ways" on its Happy Meals packaging. Happy Meal prices will not go up as a result of the changes. But the chain has raised prices this year because of soaring commodity costs and more could come.

McDonald's conducted an examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included obtaining an understanding of the nature of the criteria and information gathered relating to the Company's nutritional commitments and related internal controls. The company's examination also included examining, on a test basis, evidence supporting the Company's assertions and performing such other procedures as they thought were considered necessary under the circumstances.

At McDonald's, the menu needs to reflect the changing tastes and needs of their customers. To do that, they need to stay at least one step ahead. They start by listening to customers, understanding their lives, analyzing nutritional data, and looking ahead to identify emerging trends. They consider customer insights in everything they do – from taste and quality to nutrition, value and choice. Ensuring their customers' voices are heard is a critical part of who they are as a brand.

And today, McDonald's is engaging them in new ways such as their listening tour and Family Arches Community so that they can continue to have conversations and, most importantly, listen, when making choices overall. So they talked with parents and kids to help inform them how they can make nutrition information meaningful, and easy to understand so they can apply it when making meal choices. Launched publicly in February 2012, McDonald's Family Arches is quickly becoming a thriving online community for parent engagement, with both McDonald's and among other parents.

This social community for parents connects mutually interested people in discussions about the topics most meaningful to them. In addition, it provides a vehicle for McDonald's to dialogue with parents on important topics. Finally, The Family Arches is a place for members to hear first-hand monthly nutrition updates, articulate in focus groups and provide meaningful feedback. McDonald's also introduced their Global Parents' which is a Table comprised of 10 moms and dads from around the world.

Their passion for the art of parenting and their willingness to provide candid feedback is essential for the evolution of McDonald's worldwide. McDonald's is empowering these parents to share feedback regarding specific business actions and brand efforts, including initiatives around menu development, restaurant design and children's wellbeing. Over the past year, McDonald's executives and other key decision-makers embarked on a nationwide listening tour, seeking input from various stakeholder groups on how they can best serve the customers when it comes to nutrition, community and the environment.

As of July 31 , 2012, McDonald's has hosted 12 listening tour stops, 10 of which were focused on menu and nutrition. They heard directly from attendees about how McDonald's can play a role in addressing and helping to solve important issues within each of these focus areas. Participants indicate that they see the progress they are making and encourage them to continue to identify ways in which McDonald's can be a part of the solution, make nutrition easy and offer additional choices.