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Integrated Marketing Communication (IMC) Case Study Paper: Part 1

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PR Audit SWOT*Strengths*

With their first restaurant opening in 1940, McDonald's has been a well-established restaurant in the US and all around the world (Britannica, 2022). The founders were ahead of their time; they envisioned a restaurant that would allow them to quickly produce large quantities of food at low prices. This structure allowed the company to charge customers about half the price of competing restaurants and ultimately lead to their creation of a franchise program (Britannica, 2022). In order to maintain consistency across their franchises, Ray Kroc created a program known as Hamburger University to train McDonald's franchisees. Establishing this foundation of brand consistency across all of their restaurants has ensured that the McDonald's experience is the same at each of their locations.

One of McDonald's greatest strengths is the size of their corporation. With about forty thousand McDonald's locations in one hundred and eighteen countries and territories, McDonald's serves over sixty-nine million people every single day (McCain, 2022). Furthermore, in the year 2021, McDonald's earned over twenty-three billion dollars in global revenue and their global net income was just over seven and a half billion dollars. Establishing a brand value of almost one hundred and fifty-five billion dollars, McDonald's became the most valuable and trusted quick service restaurant brands (Pereira, 2022).

Another major strength of McDonald's is its quick and convenient business model (Pereira, 2022). Whether dining in, driving through, or ordering delivery, McDonald's organization is known for their quick service and various menu options that are affordable to the average consumer.

Weaknesses

One of the major weaknesses of McDonald's is their lack of healthier alternatives to the typical hamburger and French fries. Although McDonald's used to offer alternatives such as salads, grilled chicken, and yogurt parfaits, these menu items have disappeared due to the coronavirus pandemic (Taylor, 2020). With some customers still seeking the convenience of fast-food but they do not want to sacrifice their health, customers are turning to other fast-food chains that offer more mindful options, such as Wendy's, Chipotle, and Subway.

Another major weakness is that McDonald's does not seem to expand their menu to accommodate certain dietary choices or restrictions. Although McDonald's has tested some vegetarian, vegan, and plant-based products at certain locations in the past, these items did not remain (Britannica, 2022). Competitors, such as Burger King, offer a plant-based options, such as the Impossible Whopper, so that vegan customers are still able to enjoy some of their menu items. With consumer eating trends always changing, McDonald's does not seem to be able to adapt to the rise in popularity seen in offering plant-based options (Demeritt, 2022).

Opportunities

McDonald's has been involved in various charity work, including working to establish the Ronald McDonald House Charities with Philadelphia Eagles football player Fred Hill (Britannica, 2022). This organization provides residency to families who have children receiving medical treatment in nearby hospitals. With more than 360 Ronald McDonald Houses around the world, McDonald's has been giving back to the community since 1974. Furthermore, McDonald's has launched other scholarships and initiatives, such as a college scholarship program for Hispanic students (Britannica, 2022).

McDonald's has also changed some of their restaurant tactics, including stopping the use of preservatives in most of their hamburgers and launching initiatives to reduce greenhouse gas emissions (Britannica, 2022). Additionally, McDonald's began changing their packaging and introduced bags, utensils, and other items that are more renewable or recyclable. Through their charity work, the improvement of the quality of their food, and their dedication to reducing their environmental footprint, McDonald's has garnered positive attention from the press and media and presented them with various opportunities.

McDonald's has also seen opportunities for their corporation as they continue to expand their reach globally. McDonald's has the greatest number of restaurants domestically and internationally compared to their other fast-food competitors (Downie, 2022). This allows them more opportunities to expand their reach as they have access to a larger audience than Burger King or Wendy's, for example.

Threats

Despite McDonald's being one of the largest organizations and fast-food corporations, the company has faced its fair share of backlash. When McDonald's introduced Ronald McDonald in 1963 as the face of their company, they received criticism over their marketing decision to target children (Britannica, 2022). Furthermore, McDonald's faced various lawsuits as customers alleged that their food was causing health problems and had an association with a global increase in obesity. There was even a popular documentary *Super Size Me* (2004) that followed a man's health journey as he consumed only McDonald's for thirty days.

McDonald's also faces a wide array of competitors within the fast-food industry. Burger King, Chipotle, Wendy's, Starbucks, and Subway all pose threats to McDonald's as they

continue to expand their corporations domestically and internationally (Pereira, 2022). These competitors, although they do not all offer the same style of food, often provide more menu alternatives and options that are considered healthier or more inclusive to a broader customer base. Furthermore, these fast-food competitors are utilizing similar marketing and advertising tactics, such as celebrity-inspired fast-food menu items, collaborations, and endorsements. For example, rapper Nelly's collaboration with Burger King and singer Miley Cyrus's collaboration with Chipotle were similarly popular and successful to the various McDonald's celebrity collaborations.

Situation

Starting in 2020, McDonald's began collaborating with various celebrities, such as Travis Scott, J Balvin, BTS, and Saweetie, to promote specific menu items to their customers. Although it appears at first glance that the corporation is creating new menu items, they are actually customizing existing menu items and having them represented and endorsed by these famous celebrities. Rather than overcoming an obstacle or reacting to a crisis, this IMC campaign saw an opportunity to be proactive and present an engaging yet desirable product by utilizing these celebrities and their likeness. Although the IMC campaign was not necessary, by creating this campaign, McDonald's introduced new promotional menu items that generated a great deal of publicity in traditional media as well as on various social media platforms, including Twitter and TikTok. Furthermore, this IMC campaign keeps McDonald's relevant with their audiences as they understand the evolving trends and desires of the typical consumer.

Target Audience

For the McDonald's celebrity meal campaign, their primary target audience is young consumers of all genders, ranging from thirteen to thirty-five years old. Collaborating with celebrities who are relatively new, yet have extremely large fan bases, is bound to generate publicity online. Since the majority of TikTok users, for example, fall within this thirteen to thirty-five-year-old age range, McDonald's intentions were to generate publicity by having them discuss and showcase their celebrity collaborations while even making memes about it online (Lin, 2022). Furthermore, by making some of these celebrity meals exclusive to their mobile app users, McDonald's knows that this younger audience would likely utilize the application and its features as compared to an older consumer who is not aware of the trending celebrities they collaborated with during their campaign.

Objectives

With this IMC campaign, McDonald's had a few primary objectives they intended on accomplishing. One objective of this campaign was to increase the target audience's awareness of the McDonald's app during the span of each celebrity partnership. Another objective of this campaign was to change attitudes about McDonald's relevancy and ability to adapt with changing times and trends. The last main objective of this campaign was to increase downloads of the McDonald's app that would in-turn allow the target audience to purchase each specific celebrity meal. Each of these objectives helped shape the McDonald's IMC campaign and drive the specific actions the corporation decided to take.

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