

# *A Comparison of McDonald's Marketing Methods in the Eurasian Market*

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**Abstract:** McDonald's has a high global brand awareness directly tied to its country-specific marketing initiatives. This study aims to compare McDonald's marketing tactics in European and Asian markets by delving into McDonald's global strategic marketing model, which includes. However, it is not limited to product categories, promotional techniques, and distribution networks. This study fosters reciprocal learning and provides additional ideas and methodologies for McDonald's globalization strategy development in the future by looking for marketing variations in other regions and analyzing the strengths and shortcomings of both sides. By reviewing the literature and various secondary sources of previous relevant studies, it can be concluded that both the European and Asian markets have distinctive marketing methods that the other side lacks, which is inextricably linked to McDonald's global customization strategy; thus, by analyzing the markets of the two sides, it may be possible to learn from the other side's advantageous marketing modes through continuous optimization and improvement to attract more consumers. McDonald's in other regions can also learn from its strategies to respond flexibly to different markets.

**Keywords:** McDonald, Marketing Strategies, Promotion Channels, Fast-food

## 1. Introduction

The fast-food revolution, which began in the United States in the mid-1950s, continued to grow in the United States while spreading to all parts of the world in the decades that followed, a revolution that changed the way people viewed the economy, the workforce, and popular culture to the point where few countries in the world were unaffected [1]. McDonald's was an essential part of the fast-food revolution, with the vision of "becoming the best fast-food restaurant in the world" [1]. It has proven to be just that, with McDonald's having great global brand recognition and becoming the most popular and recognized brand in the restaurant industry [2,3]. For example, it took McDonald's only 30 years to dominate the fast-food market in China, and as a fast-food industry leader, McDonald's has played a critical role in the growth of the fast-food industry in the United Kingdom. [1, 4]. However, multinational companies face fierce competition in expanding their markets, and much of their success can be attributed to their embrace of globalization, particularly by adapting to local tastes and preferences [5,6]. Combining strict corporate standardization guidelines with menu item localization and community programs has proven to be a winning formula for McDonald's [7]. Globalization implies that the world is a unified entity in which standardized items are promoted

uniformly everywhere. [8]. However, globalization is accompanied by developing a local marketing mix tailored to local tastes and serving specific target markets based on cultural characteristics and differences between countries [8,9]. McDonald's has followed Vignali's (2001) "think global, act local" concept to overcome the constant challenge of adapting to the local environment by studying in depth the cultural traditions, religious beliefs, and food habits of different regions and by setting up unique menus in different countries and regions. McDonald's has been able to change its menu to fulfill the needs of customers in different areas by inventing distinct goods in different countries by analyzing the cultural traditions, religious beliefs, and culinary habits of different regions [6].

Because the fast-food sector is changing so quickly, McDonald's has been able to differentiate itself from its many competitors by modifying its marketing strategy to be adaptable and sensitive to diverse markets. As time passes, market monopoly is no longer the norm; instead, the customer has the right to choose, and the company should do all possible to attract and retain customers and adapt its processes to be more customer-focused [10]. Marketing in many industries has shifted toward putting the client first, and no matter how powerful and successful a company is, disregarding market needs and changes can potentially lead to the company's demise [10]. McDonald's embarked on a new strategy after learning how difficult it is to overcome one challenge after another and realizing such concepts: "McDonald's is dedicated to listening to its customers and being honest and forthright with its staff, food, and restaurants." [5-6, 10]. It also understands that consumer value is central to all marketing actions since it relates to the items of value provided for a particular market. [11,12]. Not only that but McDonald's has achieved outstanding marketing results in its advertising campaigns by adhering to its standardized global and personalized local marketing strategy, flexibly using big data and online social media to provide more personalized services to customers in different regions, thereby adding consumer value to gain a competitive advantage over its competitors [13]. McDonald's also leverages brand cooperation, one of today's most prominent tactics, by building alliances with many external partners, such as clients, suppliers, colleges, and competitors, to combine their value co-creation processes. [5, 14]. McDonald's is collaborating with various local personalities in these nations to maximize its branding and create a win-win situation. This paper will compare and analyze the marketing strategies of McDonald's in Asian countries centered on China, as well as McDonald's in the United Kingdom and other European markets, in order to provide a brief idea of McDonald's marketing's future direction.

## **2. McDonald's Marketing Strategy in Asia**

When McDonald's planned to join the worldwide market, China was the first country thoroughly researched [6]. The following four elements summarize McDonald's Asian marketing strategy centered on China.

### **2.1. Promotion Channels**

Rather than traditional advertising methods such as flyers, newspapers, and television ads, McDonald's employs big data and online social media to give tailored services and goods to boost consumer engagement [13]. In the Chinese market, for example, McDonald's uses social media to communicate with its enormous young consumer base and frequently advertises new products on social media platforms such as Weibo [4, 15]. McDonald's has developed swiftly in China due to keeping up with trends and now nearly dominates the Chinese fast-food industry [4].

### **2.2. Consumer Psychology**

Service providers need to provide more personalized service to Asian clients [2, 16]. McDonald's in Beijing, for example, relies heavily on staff-customer interaction, with each restaurant having several

appropriate PR staff to greet and look after customers [8] because Asian cultures are more collectivist, preferring individualized service based on intimate ties between providers and clients over standardized service. [2, 17]. McDonald's localized marketing strategy has successfully capitalized on cultural variances in consumer psychology in Asia by developing items to fulfill distinct customer wants based on regional cultures and religious beliefs [8]. McDonald's in the inland region will introduce menus for different festivals based on the history of the Chinese market and the characteristics of various festive customs [4]. In order to respect Indian religious beliefs, McDonald's in India has abandoned its iconic pure beef burger, offering only chicken fish and mostly vegan products [7]. Similarly, Japanese McDonald's will introduce seasonal goods tailored to Japanese tastes, such as teriyaki-flavored burgers [7].

### **2.3. Limited Products**

Furthermore, McDonald's also offers a limited regional menu. For example, the 'tsukimi' burger, which translates to fried egg burger, is only available on the Japanese menu [7]. 'Tsukimi' means "viewing the moon" and refers to the autumn harvest season when Japanese people like observing the moon, hence the name of this burger [7]. Alternatively, the limited chili sauce is sold in China's Sichuan region, where the people's taste is predominantly spicy. McDonald's developed a limited regional product based on the difference in flavor [4].

### **2.4. Collaborative Marketing**

In contrast to the concept of conceptual brand partnership, customers now tend to place more emotional value on the things they buy rather than functional value [5,18]. Indonesia has Southeast Asia's largest foodservice market, with a collaboration between McDonald's in Jakarta and BTS, a prominent Korean K-Pop idol group, has increased orders from its stores to the point where some have had to close [5]. The celebrity effect has substantially enhanced its product sales, with many BTS fans rushing to the shops to buy its limited menu for events and menu peripherals such as food boxes with the BTS emblem and cups. When some fans do not purchase the products in issue, the second-hand market will resell the food bags with the BTS emblem on them for a high price [5,19]. That is why McDonald's and many restaurant chains have co-branded with celebrities to achieve a win-win situation [5, 20].

## **3. McDonald's Marketing Strategy in Europe**

European countries are not as diverse in their branding campaigns as Asian countries, and most still employ more traditional tactics such as physical coupons or newspaper publications. Although Europe's food and beverage business is diverse, fast food is the fastest-growing and most dynamic of these industries [1]. McDonald's marketing strategy in the United Kingdom and other European countries can be separated into three parts.

### **3.1. Consumer Psychology**

Western cultures are individualistic in comparison to Asian collectivism, and Western service tactics emphasize efficiency and standardization, adopting services that emphasize efficiency and distance between the service provider and the consumer [2, 17]. McDonald's does not need customer service representatives in the United Kingdom because, unlike Asians, British citizens are content to leave the restaurant after eating [8]. Furthermore, many customers believe McDonald's cuisine is unhealthy, heavy in oil and sugar, and might harm the body. Based on this consumer psychology, McDonald's has created new, healthier dishes and has marked the calorie and nutritional content of food on the

menu when ordering to make it easier for customers to detect the information and purchase on demand [10].

### **3.2. Limited Products**

McDonald's is committed to developing a standardized brand with local specialties. Therefore, they have limited food selections in Asia and Europe, with limited offerings in that region. McDonald's, for example, serves beer and McCroissants in Germany, local specialties, espresso, spaghetti in Italy, and wine in France [21]. Furthermore, McDonald's in France has adapted traditional flavors to local tastes, such as the 'McDeluxe' range, which has replaced the original black pepper mayonnaise sauce and apple slices in the burger with a more French-friendly old mustard and pepper sauce with cheddar cheese, onions, and whole lettuce leaves [21].

### **3.3. Collaborative Marketing**

McDonald's frequently collaborates with celebrities not only in Asia but also in Europe. However, because the European market does not generate the same peripheral products as the Asian market, most of them are hired to advertise and use the celebrity effect to increase sales, such as inviting English footballers and French goalkeepers to promote their burgers [8] even though McDonald's concentrates on standardizing their brand name, they localize their ads to cater to diverse regional cultures [22].

## **4. Comparative of Asian Market and Europe Market**

McDonald's local personalized and customized marketing strategies in the two markets have many differences that can be poorly analyzed from all angles, and because the arguments are numerous, only two of the ones that maximize the differences will be chosen for explanation and illustration in this section.

### **4.1. Publicity Strategy and Price Setting**

McDonald's has a slightly better overall marketing strategy in the Asian market, particularly in China, where it likes to use popular social media to promote its products and brand as it is well aware of the fact that China has a sizeable young consumer base [4], it is not difficult to see that most of McDonald's consumer customers in China are focused on young people as McDonald's product in China is positioned as a brand image that is young and more expensive than the overall level of prices of other fast food brands [4]. As a result, the collective delivery of advertising campaigns for this group can help boost their turnover because they are more ready to spend money to buy; this behavior can benefit McDonald's [4]. However, relying solely on this group's consumption ability is not a long-term solution because as China's level of development rises, so does people's consumption ability, and McDonald's, in order to increase its consumer base, frequently organizes some promotional activities to attract customers. For example, in China, McDonald's stores frequently employ half-priced second products to draw more customers and attract more consumers by giving favorable rates to fulfill the needs of various customers [23,24]. However, McDonald's overall marketing strategy in Europe is less impressive. Instead of diversifying into virtual media platforms like in Asia, McDonald's advertised in real life, such as bus stop billboards and leaflets. The reason for doing so may be because McDonald's brand positioning in Europe is just a cheap and convenient fast food brand image, not targeting a specific age group, and entering the European market very early, for example, the first McDonald's in London, UK, opened in 1974, while China's first McDonald's only opened in Shenzhen in 1990 [1, 4]. The popularity also spread all over the streets

and lanes. People can get a substantial meal at a low price, and McDonald's does not need to market aggressively to attract customers.

## 4.2. Product Line

When it comes to the menu product range, McDonald's has followed through with its localization initiative, particularly in the Asian market, with different product ranges launched according to the culture and customs of different cities in different countries in order to satisfy the needs of all customer groups, and often co-branded with celebrities, launching limited edition food and peripheral products during the period to attract fans to make purchases, for example, the most well-known co-branding is that of McDonald's and BTS in Indonesia, as well as McDonald's and New Jeans in South Korea, as well as Hong Kong, Macao, and Taiwan in China [5]. On the other hand, the European market's product range appears to be homogeneous. Although McDonald's has introduced new menus based on its local food culture, the dishes are still not as good as the food development in the Asian market, most likely because the European food culture was affected by the war; for example, Germans use potatoes as a staple food. In contrast, South Koreans use rice [25,26].

Moreover, Asian cuisine is pretty deep, especially in China's huge territory; food culture is profound, and people in different regions have varied dietary tastes. Thus, McDonald's Asia will offer the appropriate meals based on the dietary tastes of different parts of China. Europeans pay close attention to the dietary structure of the collocation of a healthy diet, so McDonald's menu in Europe will be labeled with a good calorie and nutritional composition of each product, specifically the introduction of healthy series of dishes, Asian McDonald's is slightly inferior in the promotion of healthy eating. Furthermore, while McDonald's encourages celebrities to collaborate in Europe, they only do so as part of an advertising campaign and do not introduce a co-branded range of items as they do in the Asian market.

## 5. Suggestion

Different markets have different strengths and limitations; each market should pick the best and discard the dross, learning from one another to give limitless opportunities for McDonald's globalization.

### 5.1. Recommendations for Europe

To attract more customers, McDonald's has implemented more efficient and intelligent business strategies, such as online app ordering and self-service ordering equipment in restaurants, to improve the consumer shopping experience [27]. McDonald's in Europe should learn from the Asian market's human-centered personalized service [4, 16] and employ a few public relations staff in each store to help customers address difficulties [8]. McDonald's does not target a specific age group in the European market, so they have a lot of older and loyal customers. However, many of these older customers are not technically proficient or even clueless in the use of technology such as intelligent service, and McDonald's introduced this new technology in order to allocate more staff to other departments to improve meal efficiency, ensure food quality, and so on [27]. As a result, the manual ordering counters are frequently empty, and most restaurants rely on customers to place orders using self-service ordering machines and then wait for their meals to be picked up. If McDonald's in Europe maintains its efficiency and standardization principles while slightly introducing some of the staff-customer interactions that are characteristic of the Asian market, it will not only increase the restaurant's efficiency and turnover, but it will also gain more customer satisfaction, praise, and trust in the brand [2, 8,17].

Furthermore, McDonald's in Europe can conduct more studies on its dishes and research and development of particular food for public consumption, rather than simply a few dishes sold in rotation. As Europe is a popular tourist destination, people from all countries and regions come to play daily, and traffic is heavy, so McDonald's, a handy restaurant, will become the first choice of many people's fast food brands. However, because different regional food cultures and tastes make it difficult for McDonald's to achieve a balance point and meet the needs of all consumers, the European market is responsible for developing product flavors; researchers can learn from the Asian market of the local, personalized taste customization model. Not only should brand promotion make more use of social media, using more platforms to attract a broader range of customer groups, but also through the use of collaborative marketing strategies used in the Asian market with certain celebrities for co-branding, co-branded series of food or peripherals for a limited time, to attract their fans to consume, in order to achieve the goal of increasing sales.

## 5.2. Recommendations for Asia

Fast food outlets are increasingly considered harmful, contributing to obesity and other disorders [27]. So, in response to this quandary, McDonald's has implemented several aggressive marketing and communication initiatives to suppress such damaging claims [28]. Especially in the European market, with the desire and practice of healthy lifestyles, McDonald's has begun to change as a restaurant selling only high-calorie foods. In order to retain and attract more consumers, McDonald's has made dramatic changes in its dietary structure, such as adding healthy foods such as salads and fruits to its menu and offering special packages for children and adults with calorie-controlled intake as a way of support the decision to encourage people to make healthy lifestyle choices [28]. McDonald's, on the other hand, has not done enough of this in the Asian market, where most consumers have not yet acquired a so-called "healthy lifestyle" and where the food culture is still hot, sodium-heavy, or grilled. As a result, McDonald's has found it challenging to associate its brand image with healthy food in the Asian market [28].

However, they can do so through skilled advertising campaigns and collaboration with the media to encourage healthy eating, and more and more people will join the healthy eating movement [27]. McDonald's could use the same menu model as in Europe in the Asian market, such as calorie and nutrient labeling, "special packages" for people with special needs, more healthy food, vegetable salads, fruits, and so on, to improve food quality while also changing people's lifestyles.

## 6. Conclusion

McDonald's has become a fast-food industry leader through the fast-food revolution and is well known worldwide. McDonald's has grown and expanded its brand by adhering to its philosophy of "Global Standards, Local Action." After recognizing its problems, McDonald's quickly changed its marketing strategy to respond flexibly to different markets, and its success of such a strategy oriented towards a focus on the customer-first experience has led to the expansion of its stores worldwide. McDonald's has been successful in expanding its stores all over the world. Moreover, the company creates customized services for different regions by conducting extensive research on the human geography and religious customs of various countries, allowing it to satisfy the eating habits and tastes of consumers in different countries while also paying attention to market needs and changes. McDonald's has established different marketing models in the Eurasian market based on different brand positioning and target customer groups. For example, in China, McDonald's is still regarded as a high-priced fast food, so its users are almost entirely young or middle class; however, with the continuous change of the marketing model, McDonald's is no longer only targeting a specific group of people, but to make it affordable for all groups of customers, such as the European market.

European market, becoming a popular and inexpensive fast-food brand. Furthermore, by understanding the above content, McDonald's put forward some constructive suggestions to provide its future marketing model and development direction to provide some help. This paper also has some limitations, such as the implementation of the geographical issues and consumer acceptance; this paper is only for the future development of the provision of a general direction, the direction of future research.

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