

McDonald's Marketing Mix (4Ps) Analysis:

McDonald's Corporation's marketing mix (4Ps) involves various approaches that meet business concerns in different fast food restaurant markets around the world. The marketing mix defines the strategies and tactics that a company uses to reach target customers, in terms of products, place, promotion, and price (the 4Ps). In this business analysis case, McDonald's has corporate standards that its marketing mix applies globally. For example, the company's corporate standards for productivity are implemented in the management of each company-owned and franchised location. McDonald's also applies some variations in its marketing mix to suit the conditions of local or regional markets. For instance, the company's promotion strategies and tactics focus on print media in countries where such media are most popular, and prioritize television in other markets. The specifics of the 4P variables define the various strategies and tactics that McDonald's uses in executing its marketing plan and achieving related strategic goals to grow the multinational restaurant chain business.

McDonald's Corporation's effectiveness in implementing its marketing mix contributes to the leading performance of its brand and business in the international fast food restaurant industry. Strategic management considers how the 4Ps relate with the approaches of competitors like Burger King, Wendy's, Dunkin' Donuts, and Subway, as well as other firms in the food and beverage industry, such as Starbucks Coffee Company. McDonald's marketing mix facilitates effective reach to target customers around the world. This condition supports the company's leading global industry position, as well as the strength of its brand, despite the strong force of competitive rivalry shown in the Porter's Five Forces analysis of McDonald's Corporation.

McDonald's Products (Product Mix)

As a food service business, McDonald's has a product mix composed mainly of food and beverage products. This element of the marketing mix covers the various organizational outputs (goods and services) that the company provides to its target markets. McDonald's product mix has the following main product lines:

1. Hamburgers and sandwiches
2. Chicken and fish
3. Salads
4. Snacks and sides
5. Beverages
6. Desserts and shakes
7. Breakfast/All-day breakfast
8. McCafé

Among the 4Ps, products are a fundamental determinant of McDonald's brand and corporate image. The company is primarily known for its burgers. However, the business gradually expands its product mix. At present, customers can purchase other products like chicken and fish, desserts, and breakfast meals. McDonald's generic strategy and intensive growth strategies influence the product lines included in this element of the marketing mix. In diversifying its product lines, the company satisfies market demand, improves its revenues, and spreads risk in its business. In terms of risk, a more diverse product mix reduces the company's dependence on just one or a few market segments. This element of McDonald's marketing mix

indicates that the firm innovates new products to attract more customers and improve its business stability.

Place/Distribution in McDonald's Marketing Mix

This element of the marketing mix enumerates the venues or locations where products are offered and where customers can access them. Restaurants are the most prominent places where the company's products are distributed. However, the business utilizes various places as part of this 4P variable. The main places through which McDonald's distributes its products are as follows:

1. Restaurants
2. Kiosks
3. McDonald's mobile apps
4. Postmates website and app, and others

McDonald's restaurants are where the company generates most of its sales revenues. Some of these restaurants also manage kiosks to sell a limited selection of products, such as sundae and other desserts. Some kiosks are temporary, as in the cases of kiosks used in professional sports competitions and other seasonal events. This element of McDonald's marketing mix also involves the company's mobile apps. These virtual places are where customers can access information about the company's products and buy these products. For example, the company's mobile apps for iOS and Android let customers claim special deals, find restaurant locations, place orders, and pay for such orders involving participating McDonald's restaurants. Furthermore, customers can place their orders through the Postmates website and mobile app. This element of the marketing mix supports McDonald's corporate vision and mission statements, especially in serving more customers around the world.

McDonald's Promotion (Promotional Mix)

This element of the marketing mix defines the tactics that the business uses to communicate with customers. Among the 4Ps, this variable focuses on marketing communications with target customers. For example, the company provides new information to persuade consumers to purchase new products. McDonald's uses the following tactics in its promotional mix, arranged according to significance in the business:

1. Advertising (most significant)
2. Sales promotions
3. Public relations
4. Direct marketing

Advertisements are the most notable among McDonald's promotion tactics. The corporation uses TV, radio, print media and online media for its advertisements. On the other hand, sales promotions are used to draw more customers to the company's restaurants. For example, McDonald's offers discount coupons and freebies for certain products and product bundles, as a way of attracting more consumers. In addition, the company's public relations activities help promote the business to the target market through goodwill and brand strengthening. For instance, the Ronald McDonald House Charities and the McDonald's Global Best of Green

environmental program support communities while boosting the value of the corporate brand. Occasionally, the company uses direct marketing, such as for corporate clientele, local governments, or community events and parties. In this element of its marketing mix, McDonald's Corporation emphasizes advertising as its main approach to promote its products.

McDonald's Prices and Pricing Strategies

This element of the marketing mix specifies the price points and price ranges of the company's food and beverage products. The aim is to use prices to maximize profit margins and sales volume. McDonald's uses a combination of the following pricing strategies:

1. Bundle pricing strategy
2. Psychological pricing strategy