



The McDonald's India Story



McDonald's History

- Started as a drive-in restaurant by two brothers, Richard and Maurice McDonald in California, in 1937.
- \$200,000 per annum business in the 1940s
- Further boost with a revolutionary concept called 'self-service.'
- Critical success factors were low Prices, Speed, service and cleanliness
- By mid-1950s, the revenues reached \$350,000.
- In 1954 Ray Kroc (Kroc), distributor for milkshake machines finalized a deal with the McDonald
- Ray established a franchising company, the McDonald System Inc. and appointed franchisees
- In 1961, he bought out the McDonald brothers' share for \$2.7 million and changed the name of the company to McDonald's Corporation.
- In 1965, McDonald's went public



Vision – Mission - Values

Vision – To be the best and the leading fast food provider around the globe

Mission -To be the world's best quick service restaurant experience. Being the best means providing outstanding quality, service, cleanliness, and value, so that we make every customer in every restaurant smile."

Values

Q→high Quality products

S→fast & friendly Service

C→Cleanliness

V→Value @ McDonald's that means "total experience... gr8 food, friendly folks, a clean environment, quick & accurate service & fun"

McDonald's Now...

B

e

g

a

n

i

n


1


9

4

0


McDonald's Globalization Timetable

 1967 - Canada & Puerto Rico (first restaurants outside the U.S.)

 1971 McDonalds really starts going global


Asian: Tokyo Ginza District, Japan

European: Netherlands, Munich, Germany

 1971 - Tokyo, Japan, Amsterdam, Netherlands & Sydney, Australia

 1979 - Rio de Janeiro, Brazil

 1990 - Moscow, Russia & China

 1996 - India



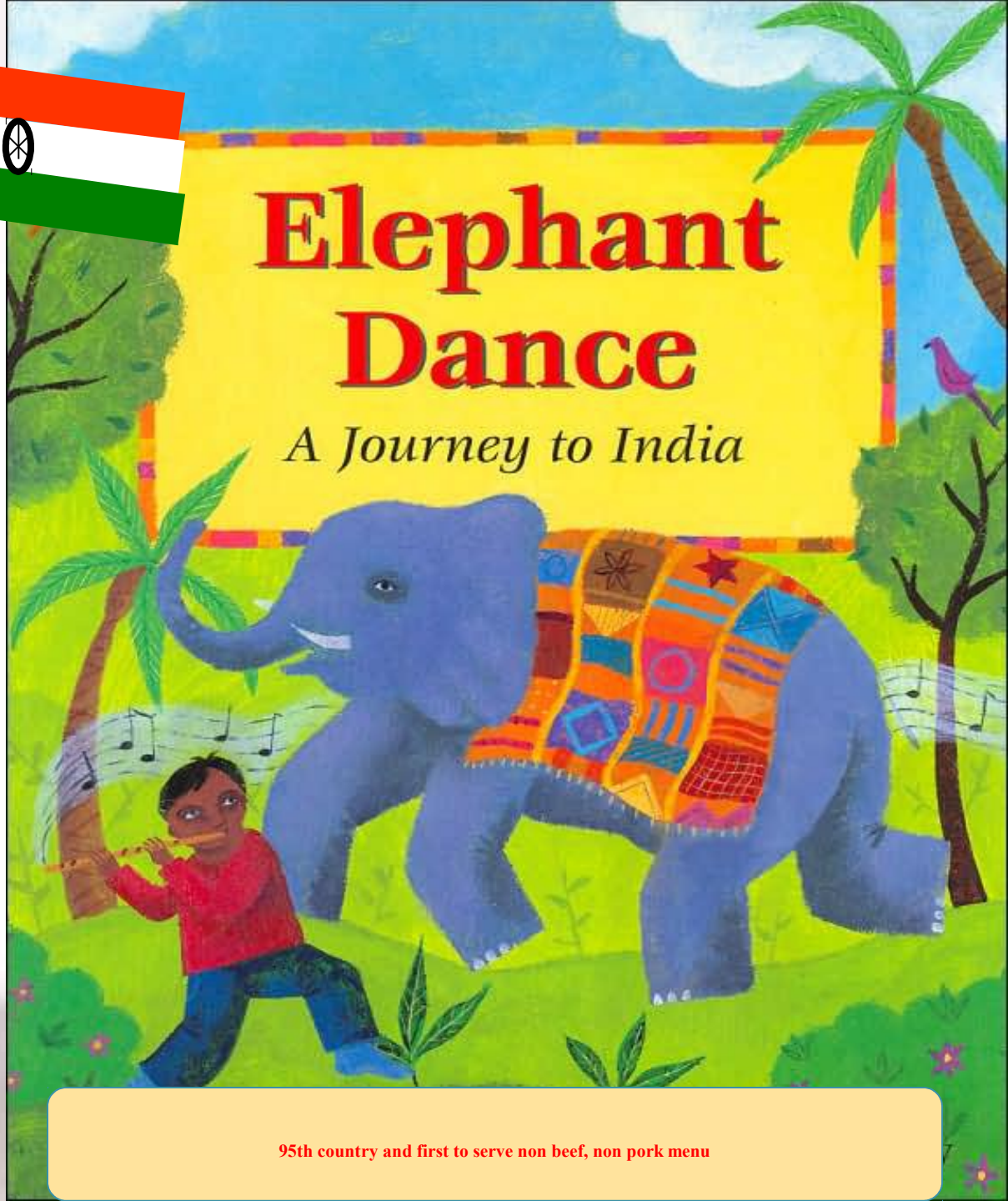


CharDe INDIA



Elephant Dance










A Journey to India



95th country and first to serve non beef, non pork menu

McDonald's History in India



-  McDonald's India is a Joint venture with two Indian companies.
-  Hard-Castle Restaurants Pvt. Ltd headed by Amit Jatia operates McDonald's Restaurants in Western India.
-  Connaught Plaza Restaurants Pvt. Ltd headed by Vikram Bakshi operates in Northern India
-  McDonald's philosophy of QSCV
 -  Quality
 -  Service
 -  Cleanliness
 -  Value
-  Has close to 250 restaurants today serving more than 5laccustomers

McDonald's History in India



1996 ...the first McDonald's restaurant opened on Oct. 13, at Basant Lok, Vasant Vihar, New Delhi. It was also the first restaurant in the world not serving beef on its menu



1997...the first Drive –Thru restaurant at Noida



1999...the first Mall location restaurant at Ansal Plaza – New Delhi



2000...the first highway restaurant at Mathura



2001...a restaurant at Connaught Place



2002...the first restaurant in a food court at 3C's, Lajpat Nagar and the first restaurant at the Delhi Metro Station at Inter State Bus Terminus

The Indian Fast Food Market

Size of eating out market - Substantial (India)



Challenges in India



Challenges in India



Challenges in India



Business Model


 Franchisee Driven Model

 15% of stores are owned; rest are operated by franchisees

 Product Consistency

 Sophisticated supplier networked operation and distribution system

 Brand Equity

 McDonald's focuses not only on delivering sales for the immediate present, but also protecting its long term reputation



Market Segmentation

Demographic Segmentation

 Kids/ youth/ urban upper and middle class families

Geographic Segmentation

 Mostly in urban towns and cities

 Later spread to Tier II and Tier III cities

Psychographic Segmentation

 Place to chill out with friends

 Place for families and kids to enjoy

Segmentation – Vegetarian/ Non vegetarian

 Special menus designed



McDonald's Targeting Strategy

Ph
Pr

Mea

Mea

Ha,

tha,

Adm

Adm

Millp

Millp

Proc

Inf

est

rela

billi

billi

giti

gity

tsa

ing

per

Just

Sella

Sirta

(to

tin

nlg

msg

ling

ain

Air

Air

pur

Pair

tra)

trah

es

s

wh

are

ere

exp

citi

ose

zen

d

s

to

are

we

exp

ster

ose

n

d

foo

to

d &



Targeting Strategy

Target Segment

What is McDonald's for me?

A Family with children

A treat to children, a fun place to be for the children.

Urban customer on the
move

Great taste, quick service without affecting the work schedule

Teenager

Hangout with friends, but keep it affordable.

McDonald's 4 P Strategy

- ◆ *friendly, fast -served healthy food*
- ◆ *Consumer's like-dislike, taste, preference, health etc. are taken into consideration.*
- ◆ *Provides quality food*
- ◆ *adapts itself to the local culture*
- ◆ *Resources to Get the Job Done*

Product Strategy



Product Adaptation

-  Much higher degree of adaptation needed
-  40% vegetarians – hence vegetarian selections to suit Indian tastes
-  Maharaja Mac replaced Big Mac, Chicken patty instead of beef
-  Respect for Indian culture – no beef or pork items in India
-  McAloo Tikki, Veg Salad Sandwich, McMasala and McImlis Sauces
-  Common Menu- Chicken Nuggets, Fillet-O- Fish, fries, sodas, shakes
-  Garlic free sauces to get in “hard core” vegetarian customers
-  Re-formulated own products using spices favoured by Indians
-  Eggless sandwich sauces, Soft serves & McShakes
-  Freshest chicken, fish and vegetable products
-  Only vegetable oil used as a cooking medium



Product Adaptation

McAlooTikki™



**Paneer
Salsa Wrap**



Product Adaptation

Chicken
Maharaja Mac™



McVeggie™



Product Adaptation

McCurry Pan™



Pizza McPuff™



McAlooTikki, Veg Surprise and PizzaMcPuff which were developed in India are now being exported even to Middle East



Product Adaptation



Product Adaptation India v/s in other countries

Chicken Maharaja Mac™



In India, there are no Big Macs because the Hindus don't eat beef.

However, they have the Maharaja Mac, which is a Big Mac made of lamb or chicken meat. There is also a vegetarian burger, the McAloo Tikki.

In fish-loving Norway, they have the McLaks, a sandwich made of grilled salmon and dill sauce.



Product Adaptation India v/s in other countries



In Costa Rica,,you can order Gallo Pinto, meaning rice and beans

Rice-loving Hong Kong, has – of course – Rice Burgers, where the burgers are in between, not burger buns, but two patties of glutinous rice.



Product Adaptation India v/s in other countries



Japan totally reinvents McDonald's with its Ebi Filet-O (shrimp burgers), Koroke Burger (mashed potato, cabbage and katsu sauce, all in a sandwich), Ebi-Chiki (shrimp nuggets) and Green Tea

It's not Greek without pita, so when in Greece, have a Greek Mac, a burger made of patties wrapped in pita.



McDonald's 4 P Strategy

- ◆ Strategic location
- ◆ Good ambience at the restaurant
- ◆ Clean, comfortable environment especially suited for families.

Place Strategy



McDonald's Outlets

The ambience and the environment is same at all the outlets of McDonald's.



McDonald's Outlets



McDonald's Outlets



McDonald's Outlets



McDonald's Outlets



McDonald's 4 P Strategy




- ◆ Value-pricing
- ◆ Very large cross section of the Indian population can afford it.
- ◆ does not sacrifice quality for value

Pricing Strategy





Pricing Strategies


Product Line Pricing

-  Range of products offered
-  Pricing reflects the benefits of the range
-  One can order just a coke or a coke with a burger



Product Bundle Pricing

-  Several Combo options available
-  Customer gets a range of products in a single basket

Promotional Pricing

-  Three or four products clubbed with total price being lesser than sum of the parts

Value Pricing

-  Realization that Indian market is very price sensitive
-  Economy Meals and value meals



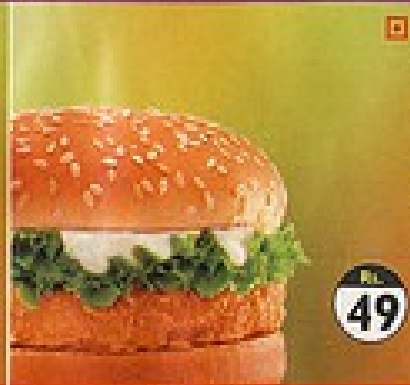
Product Line Pricing

BURGERS/McCURRY™ PAN/WRAPPS



Rs.
59

Chicken Maharaja Mac™



Rs.
49

McChicken™ Burger



Rs.
59

Shahi Chicken McCurry™ Pan*



Rs.
59

Wrap Chicken Mexican™



Rs.
49

Wrap Paneer Salsa



Rs.
55

Filet-O-Fish™



Rs.
39

McVeggie™ Burger



Rs.
49

Shahi Paneer McCurry™ Pan*



Rs.
29

Veg. Surprise™

Product Bundle Pricing



Promotional Pricing



The advertisement features a red background with a white and yellow McDonald's logo in the top left corner, accompanied by the slogan "i'm lovin' it". The main headline "Super Lunch Super Deals" is written in a white, bold, sans-serif font. Below the headline, a photograph shows a McDonald's meal consisting of a burger on a sesame seed bun, a cup of golden french fries, and a glass of Coca-Cola with a straw. To the right of the meal, a white, distressed-style stamp contains the text "BURGER + FRIES + COKE" and "STARTS ₹ 55 ONLY", with two stars on either side of the price. In the bottom right corner, a yellow "NEW" tag is placed above the text "McVALUE LUNCH™ EVERYDAY 12PM-3PM". At the bottom left, there is a call to action: "Visit your nearest Restaurant or order <http://mcdelivery.co.in/>". At the bottom center, a line of text specifies the offer's validity: "Valid only in- Mumbai, Pune, Ahmedabad, Baroda, Surat, Indore, Bangalore, Chennai and Hyderabad". A small Indian flag icon is visible on the napkin under the burger. The McDonald's logo is also present in the bottom right corner of the advertisement.

McDonald's
i'm lovin' it®

Super Lunch Super Deals

BURGER + FRIES + COKE
STARTS **₹ 55** ONLY

NEW **McVALUE LUNCH™**
EVERYDAY
12PM-3PM

Visit your nearest Restaurant
or order <http://mcdelivery.co.in/>

Valid only in- Mumbai, Pune, Ahmedabad, Baroda, Surat, Indore,
Bangalore, Chennai and Hyderabad



Value Pricing



Value Pricing



McDonald's 4 P Strategy

- ◆ limited value menus, promotional games
- ◆ Using new menu items, low price specials, Extra Value Meals
- ◆ Donations, charity functions
- ◆ McDonald's happy day
- ◆ Focuses its ad campaigns on its overall Mc Donald experience and active life style.

Promotion Strategy



Promotional Campaigns

AAP KE ZAMAANE MEIN

AAP KE ZAMAANE KE DAAM

Rs. 20 EACH

McDonald's HAPPY PRICE MENU

ITEMS: BUNDO™, ICE TEA, REAL PIZZA POPPER™, CHICKEN BUNDO™



Promotional Campaigns

HAPPY MEALS
BURGER + REGULAR COKE™ + A TOY

McAloo Tikki™
Along Dahi™

Chicken McGrill™
Along Dahi™

McVeggie™
Along Dahi™

McChicken™
Along Dahi™

Starts at Rs. 65/- Veg Pizza McPuff™

The advertisement features a woman and a child on the left, a Barbie doll on the right, and a red toy car in the center. The background is a bright yellow sun and a green landscape with a house and trees. The text 'HAPPY MEALS' is prominently displayed at the top, followed by 'BURGER + REGULAR COKE™ + A TOY'. Below this, four meal options are listed with their respective prices: McAloo Tikki™ Along Dahi™ (Rs. 75), Chicken McGrill™ Along Dahi™ (Rs. 75), McVeggie™ Along Dahi™ (Rs. 89), and McChicken™ Along Dahi™ (Rs. 99). A note at the bottom states 'Starts at Rs. 65/- Veg Pizza McPuff™'. The McDonald's logo is visible in the bottom right corner.



Promotional Campaigns

INTRODUCING
McEGG ₹25
HAPPY
Every Day

I'm lovin' it
© 2009 McDonald's

पारंपरिक मसालेदार केवले

ONLY 1 OUT OF
3 EGGS CHOSEN

FRESHLY
PREPARED

STEAMED

बेस्ट

WINDAGE
RAJU

WINDAGE
RAJU



Promotional Campaigns



Promotional Campaigns



Promotional Campaigns



i'm lovin' it™



www.mcdonaldsindia.com

© McDonald's (India) 2004. All Rights Reserved.



Promotional Campaigns

Sab Lucky is Back!

Assured prizes every time you eat at McDonald's



Bumper prize



Weekly prize



Daily prize



Hourly prize



[CLICK HERE TO KNOW THE LIST OF WINNERS](#)



I Love Children



I Have Gifts For
them, They Can play
Games also



www.foodfacts.info/blog



I Love Children- Happy Meal



Hot Wheels

Red
Racing Car



Blue
Racing Car



Red
Racing Car



Yellow
Racing Car



Black
Racing Car



Blair

Christy

Denise

Chelsea

Michelle



Barbie



Only with your favourite Happy Meal

©2000 Mattel Inc.

People

- Each store headed by Restaurant Manager
 - Responsible for daily operation and customer interaction
- Delivery crew member carries out basic tasks like taking orders, etc
 - In touch with customer hence plays major role in customer satisfaction
- Stars provided to employees based on their performance to motivate employees
- **Customer always comes first**
- **Fast and friendly service**
- **Philosophy of QSCV is the guiding force behind its service.**

Other Initiatives – Home Delivery

quite unlike the United States..



Other Initiatives - Social Events sponsored by McDonald's

Other Initiatives - Social Events sponsored by McDonald's

Other Initiatives - Social Events sponsored by McDonald's

The McDonald's Way



The McDonald's Way

- M**ove forward
Focus on what is best for the system
- C**ontributions
Recognize individual and team achievements
- D**evelop
Integrity and trust
- O**pen Communications
Confront and resolve problems
- N**o losers
Aim for "Win Win" situation
- A**ctively listen
Act the way you talk
- L**everage diversity
Debate for the benefit of the system and customer
- D**eliver
All commitments
- S**upport
Decisions 100%

