

Marketing Virtual Learning HS/Marketing

Monday, May 1, 2020



LESSON OBJECTIVES:

- 1. Read for understanding
- 2. Analyze company reaction to COVID-19

LESSON INSTRUCTIONS:

- Read the article in the PDF attached to this lesson. (also on the last several slides)
- 2. Answer the questions on the last page on a google doc and send to your teacher.



Burger King Showed It's Better Than McDonald's. Here's How

Some companies seem geared to react to their customers and communicate with them. Others find it more difficult.

By Chris Matyszczyk Owner, Howard Raucous LLC@ChrisMatyszczyk

Absurdly Driven usually looks at the world of business with a skeptical eye and a firmly rooted tongue in cheek.

It's increasingly fascinating to watch how different companies are responding to our completely different world.

What should you say? To whom? When? And, most importantly, what should you do?

A couple of weeks ago, <u>I wrote about the differing reactions</u> between Burger King and McDonald's as the Coronavirus took hold.



Somehow, <u>Burger King</u> seemed more active and sure-footed while McDonald's put up a nice, but vacuous poster about social distancing. Since then, however, the contrast has appeared even more stark.

Last week, Burger King's global chief marketing officer Fernando Machado explained more fully how the company approached communication during the crisis and, most important of all, action and reaction.

Start By Doing.

Speaking to Digiday, Machado explained:

The first thing we did was to find ways to help in whatever way we can. Not with ads but with doing things.

A truly human reaction isn't "what should I say?" but "what should I do?"

In Burger King's case, this meant offering free food to those bearing the brunt of the crisis -- those in hospitals, volunteers and first responders. And kids.



The next step was to take a long, hard look at customers:

When we saw the lockdown coming and the behavior of people changing in our category, we knew we had to pivot to this new scenario.

Your customers are scared. They're worried. They may have lost their jobs or know someone who has. This meant creating new informational communication to reassure them about the extra measures Burger King was taking.

Improvise. And Get In Touch With Customers.

The company looked at campaigns it had already prepared and turned them toward an entirely new message, one that actually suited the new moment.

Most importantly, however, was immediately giving customers messages that were relevant to their feelings. Which meant some of the traditional marketing principles were tossed away. Explained Machado:

For us, we've stopped being so strict about whether or not something makes sense for our brand positioning. We did what we thought would be helpful to people.



To many a brand marketer, this would be sacrilege. Yet when you're faced with an unprecedented situation, why stick to rules from a normal time?

Yes, the company is now marketing its drive-thru and delivery services. That's all it has in the U.S.

But the feeling around that service is primarily one of utility, not merely high entertainment.

Where Are You, McDonald's?

McDonald's is, in many ways, a very strong company. It is, however, a strong, large brand leader that's recently -- and unexpectedly -- changed CEOs. And, as I look at how the company has communicated, it appears unsure as to what it should be doing.

I just went to its Twitter account and the brand posted nothing between March 11 and April 18. It's truly remarkable that McDonald's appears to have nothing to say -- or give -- to its 3.6 million followers. (That's twice as many as Burger King.)

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In its Twitter description, McDonald's has a link to a Covid-19 site and declares it's still open for takeout and delivery. And that's it.

Otherwise, you can venture to the tweets-and-replies and see the chain trying to pacify unhappy customers.

You have to go to the McDonald's <u>corporate Twitter account</u> -- a mere 171,000 followers -- to see any recent tweets at all.

On Facebook, McDonald's posted nothing between March 31 and April 10. I wonder if its more than 80 million followers might have hoped for more.

If you want to discover at least some of the good things the company is doing during the outbreak, you can go to McDonald's corporate website. How many customers go there? Not 3.6 million, I fear.

On the other hand, Burger King <u>has consistently been on Twitter</u> with simple, effective messaging. It's currently holding an intelligence quiz for students. If you get the question right, you get a free Whopper. (As if the reward for fine brains should be a greasy burger, but still..)



The chain is also running a campaign asking people to show their so-called couchpatriotism, by staying at home.

On Facebook, too, Burger King has been a constant presence, without being out of place.

It's such a contrast. You look at headlines and see Burger King offering its free Whoppers to students. Meanwhile, McDonald's is mired in apologies for the behavior of its staff in China and seemingly <u>embroiled in an unpleasant battle over money with its franchisees</u>.

It's hard to know how to account for this, save for the idea that Burger King has behaved more decisively and nimbly.

Meanwhile, McDonald's seems a touch frozen.

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Lesson Topic – Questions

- 1. List the various responses taken by McDonalds and Burger King as they reacted to the Corona Virus.
- 2. Investigate the social media sites for specific responses. Find 2 examples of posts by each McDonalds and Burger Kind during this time. Do a screen shot of each and insert them. In your opinion, is this effective or not for their Brand Position?
- 3. Look at each company's website and summarize their brand positioning.
- 4. Summarize Brand Positioning and why it is important for a company during changing economic/social times.