**Consumer Behaviour Issues and Analysis: around 850 words**

**Criteria:**

o Identify specific consumer behaviour theories or concepts that are relevant to understanding the marketing problem/opportunity and supporting your recommendations.

▪ It is important to be quite specific in this section. For example, are the issues related to internal factors such as consumer attitudes or perception, decision making, or external factors such as social influences, culture, etc.?

o You should apply concepts, models, and theories that have been discussed in lectures and tutorials during the semester. Use these concepts to understand and explain the issues.

*theory considered: consumer behaviour theories relate to your problem.*

**Poor consumer perceptions：450 words– Your part : writing structure 1) to 4)**

**-Please writing a report based on each answer on each question.**

**\*Remove or edit the answers in question 1-3 because this is what I wrote it before I asked to get an essay help.**

* **Marketing problem: ( please do not find a new McDonald’s problem, please write a report based on the this problem.)**

 Due to the growing concern towards health and nutrition is facing an additional  marketing problem of poor brand perception in terms of their quality of food.

My conducted research by surveying McDonald’s clientele, and I concluded the following marketing opportunities: poor consumer perceptions.

We all know the pink elephant in the room which is that McDonalds is associated with an unhealthy lifestyle. This is a fast-food restaurant but not all fast-food restaurants are seen in this way. Subway and Grill’d for example, are seen as healthier options and their products have more nutritional value. We do acknowledge the brand has made an effort to include healthier options, however research indicated that consumers are still associating the products with an unhealthy lifestyle. The growing health concerns as a result have given consumers poor perceptions of the quality of McDonald's products and we see this as an opportunity to change that perception. McDonalds is a restaurant that the whole family can dine at, but parents are not wanting to bring their children when the menu is focused on food that is high in carbs and sugar.

Part of Mcdonald's popularity over the last 65 years is because Mcdonald's provides a quick and cheap service whilst also providing an experience for kids. Facilities such as playgrounds and the McDonald's characters such as the Grimace, Hamburgurlar and Ronald McDonald. This enticed children to want to go to a McDonald's restaurant for more than just the food.

Part of the appeal for parents is that The Ronald McDonald House Charity would make massive donation drives to help children battling cancer and other horrible illnesses. In part, there were two significant appeals for consumers to have their next meal at Mcdonalds', kid-friendly and a portion of what they pay for a meal would go to help those in need.

However, times change, and consumers have become more worried about what they put in their bodies. In 2013 McDonald's changed its marketing strategy to align more with changing consumer health trends. McDonald's started collaborating with *the Alliance for a Healthier Generation* in **2013** to create a comprehensive strategy to offer more fruits, vegetables, low-fat dairy, and water to the chain's consumers, particularly in the Happy Meal.

This new push toward healthier alternatives was the first step into Mcdonald's new branding strategy, one that would hopefully make Mcdonald's a viable option in the modern world.

Mcdonald's new strategy involves changing its brand perception as a healthier choice to appeal to the latest consumer sentiment. Mcdonald's got rid of the kid-friendly nature of its marketing strategy, and this is where our group think McDonald' has faltered.

 Our group would market the original core principles of Mcdonalds', focusing on making McDonalds a fun place whilst also enforcing healthy alternatives. We believe that targeted ads are on platforms such as Kids TV channels and social media platforms such as tik toc, Instagram and Facebook.

Specifically targeting children and health-conscious adults would be the best possible methodology for Mcdonalds' to pursue. This is due to Millennials and Generation Z having an increased purchasing power whilst also being health-conscious, meaning that these advertisements target a considerable proportion of their consumer base.

In 2020 McDonald’s global same store sales fell 3.4% in the first quarter with a total loss of 22% in March. The drastic decrease in McDonald’s sales have been correlated to consumers shift in shopping behaviour with value-driven consumers focusing on overall health and wellbeing. In 2020 McDonald’s trimmed its marketing expenses by 70%, in which these new cheaper advertisements have confused consumers and the association these advertisements have with the brand itself. Essentially the major marketing problem of McDonald’s is poor brand perception (low quality of food) and confusing marketing campaigns.

McDonald’s, due to the growing concern towards health and nutrition is facing the marketing problem of poor brand perception in terms of their quality of food. In 2018 according to Ipsos there was a global survey conducted on healthy eating in which 53% stated they regard healthy eating as vital for ones overall wellbeing. The trend in well being and nutrition has only increased since with value-driven consumers (41% of all consumers) are willing to pay more for the benefits that come from certain health products, foods, exercise and those that assist a holistic lifestyle. McDonald’s, a billion fast food industry is facing disinterest and reluctance from consumers in purchasing their food as a result of this trend. Furthermore, close competitors are beginning to fulfil these needs of healthy eating leading to a loss of market share and sales. Fast food chains such as Grill’d offer a healthier range of food surrounded by using fresh produce and ingredients to provide delicious, guilt free meals becoming the optimal choice for many consumers. Grill’d produces local, healthy burgers made with 100% natural ingredients intriguing a larger market share. Although McDonald's has attempted to add new items to the menu adhering to consumers' growing concerns of healthy eating the products are limited, simple and not a part of their main marketing campaigns resulting in a maintenance of an unhealthy brand image.

1. explain the problem: what is the poor consumer perception?--definition(not McDonald’s) : (71 words)

Asking all interviewees what their favourite fast food brand is, most people will probably show their ideas or feelings about the brands they like, meaning consumer perception. It indicates that customer responses are a vital part of defining consumer perception. If a product has fewer stars or reviews, it represents that product has negative consumer awareness. The impression it creates on the consumers is an unknown (low) perception of a product.

1. What is **mc’s** problem, why do they have this problem? —(280 words)

As times change, due to consumers having increasing concern about health and nutrition, one fast-food franchise, McDonald's, faces the marketing problem of poor brand perception in terms of food quality. Based on a McDonald's survey, the brand's reputation is known for offering unhealthy meals. To motivate its customers, the company furnished healthy foods like salads and smoothies, which provide an alternative for health-conscious consumers. However, the Interviewees' responses show that all fast-food restaurants are not the same as McDonald's because Subway and Grill'd are an example of providing healthier product options and have more nutritional value.

Consumer opinions, beliefs, and emotions about products or services are directly related to how businesses perceive their experience with consumers. One of the reasons firms cannot achieve goals is that the reality is different from firms' view of what they feel their customers are interested in. Healthy meals are essential for the aging of the population and overall welfare due to satisfying the health-oriented needs of modern people and preventing diseases. As interest in the benefits of certain health foods has increased, the trend of well-being and nutrition among value-oriented consumers has increased. As a result of this trend, McDonald's faces up to indifference and unwillingness from their consumers not to purchase meals. In addition, junk-food competitors are launching various balanced nutrition menus to meet consumer needs for healthy food, leading to a low rate of McDonald's market sales and shares. Even if McDonald's has aimed to add new nutrition items to menu options through new cheaper advertisements, which presents the major problem of McDonald's is that products are limited, simple and not a great marketing strategy leading to maintaining an unhealthy brand image.

1. use the **theory** explain the problem: explain the theory ‘s definition first—use the citation- link to the problem

-theory 1: **Availability Heuristic**

Over the last 65 years, McDonald's has been a place to provide quick and cheap service whilst also offering playgrounds and happy meal experiences for children to go to a restaurant for more than food. Due to the growing health-conscious life, the rate of consumers in McDonald's is getting worse. For the problem, McDonald's is trying to recover its tainted reputation for serving unhealthy foods to all consumers. The heuristic is when businesses deal with a new experience and need to make a judgment about that situation, they will rely on previous events and mental images approachable to the future situation to introduce in their judgements or decisions. It is useful in making better decisions or choices in each situation, such as representativeness and availability heuristic. The availability heuristic involves making decisions about the future through immediate past relevant examples, which a theory relates to the new push towards healthier alternatives for McDonald's.

In the midst of heuristic types, the Availability heuristic involves making decisions according to past experiences that come to mind easily remained. The past poor food quality experiences of McDonald's changed its marketing strategy to range more with altering consumer health trends. The new healthier alternatives started corporate with a Healthier Generation in 2013 to launch a future marketing strategy to provide more comprehensive fruit and vegetable menus and beverage changes to low-fat dairy and water, especially in happy meals. With the good experience, McDonald's indicates a new plan to change its brand perception as a healthier option to appeal to the latest consumer sentiment, and it is an opportunity to raise consumers' interests. Nevertheless, the company

-theory 2: **Bias**

-theory 3: **Perception and Behavior (perceiving through taste/hearing/smell…)**

1. What are our recommendations? Theory support the recommendations

**Poor consumer perceptions (pinpoint of recommendation)**

* Corporate with the alliance for healthier generation in 2013 to offer more healthy foods (Focus on the old architecture, the fun side of mcdonalds, bring back the bright colours/playgrounds/kids toys in happy meals. Within this ad introduce the potential for a wider menu on the mccafe focusing on a bigger selection of salads, wraps, sandwiches etc. )
* Marketing channels: put campaign in social media, such as facebook tictok.. and kids tv channel
* Donation for Ronald McDonald’s house charity, to help illness children, also improve brand

-recommendation 1: using ‘Availability Heuristic’ Theory, McDonald’s has Corporate with the alliance for healthier generation in 2013 to offer more

healthy foods (One of the recommendations: three out of one recommendation which is pinpoint), which satisfied the consumer’s\_\_\_\_\_\_ (consumer behaviour concept)

-recommendation 2: using \_\_\_\_\_\_theory, McDonald’s has\_\_\_\_ (one of the recommendations: three out of one recommendation which is pinpoint), which satisfied the consumer’s\_\_\_\_\_\_ (consumer behaviour concept)

-recommendation 3: using \_\_\_\_\_\_theory, McDonald’s has\_\_\_\_\_\_\_\_ (one of the recommendations: three out of one recommendation which is pinpoint)

, which satisfied the consumer’s\_\_\_\_\_\_ (consumer behaviour concept)

**This is an example of writing for your Poor consumer perceptions!!!**

**confusing marketing campaigns 450 (Example)**

A marketing campaign is a set of strategies that a company uses to achieve a specific goal, such as building brand awareness or launching a new product. Marketing campaigns will deliver promotional information to consumers in a variety of channels (Tarver, 2020). When ads forget their target demographic or are over-concerned with creative and unique presenting ways, it will generate inaccurate messaging and lead to a confusing marketing campaign. (Lally, 2020) Recently, the newly released "love together" ad by McDonald's, focusing on the interactive connection between people and connecting McDonald's products to family fun times, shows the importance of diversity, family and community belonging and our multicultural society. However, McDonald's had lost sight of its core culture and original brand image, and the connection between the product and family community belonging was vaguely performed in the ads, which confused consumers and resulted in minimal advertising effectiveness.

**Theory 1: memory**

McDonald's, as an extremely large global fast-food chain that has been in operation for over 80 years, has an unreplaceable brand image in the memory of every generation. (McDonald’s, 2022) Memory is a vital part of influencing consumer behaviour, which can occur consciously or unconsciously through the storage and retrieval of information, and the persistence of learning over time. (Hoyer et al., 2020, p. 104) Consumer memories are more associated with products, services, and shopping experiences. There are two types of memory: short-term memory and long-term memory, where long-term memory is the storage of information that is permanently archived for later use (Hoyer et al., 2020, p. 105), and on its permanence, marketing campaigns should focus more on building consumers' long-term memories of McDonald's.

Among the types of long-term memory, Episodic memory refers to memories that are combined with consumers' personal experiences and elaborations (Hoyer et al., 2020, p. 105). In terms of McDonald’s, many people had birthday party times at McDonald's. These good experiences, along with McDonald's products and excellent service, are stored in consumers' memories. Another type of long-term memory is Implicit memory, which refers to the attempt to remember without any consciousness (Hoyer et al., 2020, p. 107) As McDonald's global reach continues to expand, the McDonald's golden arches logo and the strong red and yellow contrasting colour scheme have long been ingrained in people's minds. However, in the "love together" campaign, McDonald's dropped out their core culture, and replaced the once prominent theme colour with black and brown, making it difficult for consumers to understand the campaign in relation to McDonald's consistent kid-friendly, joyful core culture. At the same time, the ad required consumers to re-establish a new memory with the McDonald's image, which was confusing and inconvenient for consumers.

Before consumers make decisions, they need to retrieve useful information from their personal memories. People's recall of past experiences usually involves an effortful search process in memory (Si & Dai, 2021). Different memory-search frames may lead consumers to recall consumption experiences that differ in terms of emotion, typicality, or memory effects. (Touré-Tillery and Kouchaki 2021). By understanding consumer memory-search frames, the brand-new social media campaign will display children and their families enjoying family time in a place known to all Australians. In addition, the ads will present the tasty McDonald's products and preserve the vibrant visual colour scheme of the McDonald's logo. The use of inspiration and elaboration, tied to personal experience, transforms consumers' recollection of McDonald's core culture into long-term memory (Hoyer et al., 2020, p. 121) while positive cues in advertising will accelerate the retrieval process of memory-search frames. The emotional state of consumers can influence the retrieval process, and if consumers retrieve information in a positive state of mind, the quantity and quality of their recall is enhanced. The social advertising campaign evokes a positive emotional state and increases the likelihood that consumers will purchase McDonald's products in the future.

**Theory 2: attitude**

Based on McDonald’s consumer survey, we gain an insight into the attitude of consumers. Attitude is an overall evaluation that expresses how much we like or dislike an object, issue, person, or action. (Hoyer et al., 2020, p. 132) Consumers' attitudes influence their purpose or desirable requirements, which in turn influence their behaviour. And most of the respondents indicated that this McDonald's advertisement was not perceived as a McDonald's advertisement and did not necessarily motivate consumers to visit or dine at McDonald's because of the lack of tasty products to stimulate people since McDonald's is a fast-food restaurant.

Emotions and perceptions are the main factors that influence attitudes. Firstly, emotion is a strong feeling that comes from one's environment, mood, or relationship with others. (Hoyer et al., 2020, p. 135) The analysis from the emotional aspect shows that McDonald's advertisement will evoke a sense of family and social belonging among consumers. To better expand McDonald's core culture, the Fun Day event will support the Ronald McDonald House Charity by providing free McDonald's food and increasing consumer engagement. The day will also include several kid-friendly activities to show McDonald's contribution to improving children's health and well-being. This event generated positive consumer sentiment, which improved their attitude toward McDonald's.

Secondly, cognition is the process by which people acquire knowledge or apply knowledge, or information processing, which is the most basic human mental process. (Hoyer et al., 2020, p. 142) In " McHappy Day ", McDonald's donates some of the dishes sold in its restaurants to Ronald McDonald House and other children's charities across the country, joining the good belief of helping children, As a large chain, McDonald's faces high competition and a negative image created(Talpau & Boscor, 2011 ), this event can help McDonald's build credibility, enhance the brand image of McDonald's, making consumers' attitudes more positive.

References

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