# Unpacking McDonald's strategic marketing techniques to boost customer spending



Finance experts have analysed the strategic marketing techniques employed by McDonald's, revealing how the fast-food giant subtly encourages customers to spend more, often without their conscious awareness. With its well-known $5 Meal Deal, which is available until at least June this year, as well as various McValue offers, McDonald's has been in the spotlight for its pricing strategies, while simultaneously implementing ways to enhance consumer spending.

Speaking to GOBankingRates, financial expert Andrew Lokenauth highlighted several pivotal strategies that underpin McDonald's pricing and promotional tactics. One of the primary methods involves the pricing of menu items in a way that nudges customers toward higher spend. For example, Lokenauth noted that the incremental difference in the price between a medium and large drink makes the larger size seem like a more appealing, cost-effective option. "That tiny difference makes you think you might as well get the large size," he remarked. He reported observing conversion rates increase by 25 percent using this pricing strategy alone.

The placement of menu items also plays a crucial role in influencing customer choices. Lokenauth pointed out that McDonald's deliberately positions its highest-margin items in the top-right corner of the menu, where consumers' eyes tend to focus first. Conversely, lower-cost items are strategically placed towards the bottom of the menu, making them less noticeable. "Cheaper items get buried at the bottom," he explained, suggesting that consumers might benefit from considering selections found further down the list.

Another significant contributor to McDonald's marketing success is its mobile app, which boasts over 150 million active loyalty members. The app is designed to offer exclusive deals, enticing users to engage more frequently with the brand. Lokenauth described the approach as "brilliant but sneaky," emphasising that while users may snag 'free' fries with a minimal purchase, data indicates that 90 percent of consumers end up spending at least $7 to qualify for that promotion. According to him, the app's time-sensitive deals create a sense of urgency, pushing customers to spend more in pursuit of perceived savings.

Moreover, McDonald's rewards programme aims to foster customer loyalty while simultaneously increasing profits. Financial expert Christopher Stroup noted that while customers often believe such rewards will mitigate their overall spending, they are actually designed to encourage overspending. Lokenauth reiterated that the rewards track consumer purchases and target promotions towards higher-margin items, ensuring that the promo offers do not always lead to tangible savings for the purchaser.

As customers navigate through the variety of deals and incentives offered by McDonald’s, it becomes increasingly important for them to assess whether the promotions genuinely benefit them financially, or simply lead to increased expenditure.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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2. <https://jtblueprint.substack.com/p/the-big-mac-pricing-strategy-will> - This article explores how small changes in menu presentation, such as removing currency symbols and repositioning prices, can impact consumer behavior and increase sales.
3. <https://www.nrn.com/marketing-branding/how-mcdonald-s-is-getting-smarter-on-pricing> - This resource explains how McDonald's uses technology to optimize pricing and adapt to consumer preferences, supporting the idea that strategic pricing influences customer spending.
4. <https://www.instagram.com/p/DFddJuRJQCr/> - This Instagram post discusses McDonald's use of neuromarketing techniques to enhance customer purchasing decisions, aligning with the idea that menu presentation impacts consumer behavior.
5. <https://taylorwells.com.au/mcdonalds-new-pricing-strategy/> - This article details McDonald's efforts to balance rising costs with value-driven offers like the $5 Meal Deal, highlighting how such strategies influence consumer spending and perceptions of value.
6. <https://www.noahwire.com> - This source discusses how McDonald's marketing strategies, including mobile apps and loyalty programs, are designed to encourage customer loyalty and increase spending, though the specific link related to the article content is not directly available.
7. <https://www.dailymail.co.uk/yourmoney/article-14610569/finance-experts-mcdonalds-marketing-spend-money.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data