



Marketing Management SBS MBA / MSc Assignment – Bahrain 2020

STUDENT ID

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UNIT TITLE / CODE: _____ Marketing Management _____

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GENERAL INSTRUCTIONS

- All assignments are to be submitted on **7th May 2020** to examinationboard@atmsedu.org and assignmentsubmission2019@gmail.com and cc to afatima@atmsedu.org.
- **If assignment is not submitted on date, will follow with penalty of 10% deduction of marks for every day.**
- Similarity between students work is strictly not accepted, any student found with similar work will be graded Zero and fail for the course. However, Plagiarism is an academic offence and will not be tolerated under SBS
- Assignment once submitted to exam board is final for marking.
- Since the take home assignment carries 30 Marks, this assignment carries 70 Marks
Total 100 marks

GUIDELINES FOR ASSIGNMENT

1. If assignment is Question & Answer based then.
 - Introduction is needed for each question.
 - Question has to be answered based on the mark allotted for each question with references if any idea or information is taken from other source.
2. If assignment is case based then,
 - Executive summary
 - Table of content
 - Body of assignment (questions related to case need to be answered)
 - Conclusion / Recommendation if any
 - References (in-text + citation) to be used.

Total Marks _____ / 70

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1.0 Executive Summary

Brand marketing is a significant approach in business as it raises awareness of the brand to the customers. Some of the branding strategies that are involved are product, place, price, and promotion that are used by many companies to reach their customers. The uniqueness of the brand is the one that helps in building the loyalty of the customers towards the brand. United Arab Emirates has various brands that have won the market share in the global market. The report will, therefore, address the marketing strategy of one of the UAE brands, and the brand will be the McDonald's fast-food chain in the United Arab Emirates. Some of the issues that will be addressed by the report include brand overview, competition review, target market, segmentation, SWOT analysis, and marketing research.

2.0 Brand Overview

Historically the first McDonald restaurant was a hamburger outlet that was established in the UAE on December 21, 1994. The company was opened in Al Ghurair City in Emirates Fast Food Company. Later, a second one was opened in 1995 in Deira City Centre, which was followed by many more that have been established in the United Arab Emirates. The brand is operated by managers of the over one hundred and seventy restaurants operated by more than four thousand employees (McDonald's, 2020). The McDonald's restaurants in the UAE are locally owned, which means that the decisions about the processes and the revenues of the company are made locally. Currently, the performance of the McDonald's brand is that it generates over six million dollars every day in the Middle East region. The manager of the brand is targeting at increasing the sales with sixty percent compared to the current performance (Attwood, Dec 2015, par. 2). The competition of the brand is, however, affecting the profits of the product, but the management is ensuring that quality services are offered to the customers.

3.0 Competition Overview

Brand competition is the contention between two companies offering similar services to the customers. Like any other company in the global market, McDonald brand faces intense competition from other fast-food companies in the Middle East. The competitors of McDonald's brand in UAE include Emirates Fast Food, Galadari Ice Cream, Subway Arabia and Kuwait Food Company. According to marketing data gathered, these competitors accounted for forty-two percent of the market share, which shows the intensity of the competition (Bouyamourn, 2014, par.3). The company also faces competition from other companies outside the borders of the UAE, like Burger King and others. The management of the McDonald Brand, therefore, comes up with strategies to help and reduce competition.

4.0 Target Market

The target market is the individuals who are expected to acquire the brand from the organization. The McDonald's brand is expected to reach the customers of all the ages and all perspectives in the UAE countries and internationally (Almazrooei, 2016 pp. 1-5). The management works towards ensuring that the needs of the customers are met and that they are satisfied with the services offered. All types of customers are aimed by the organization both locally and internationally. The targeted consumers are however, divided into the following segmentation.

5.0 Market Segmentation

Market segmentation of the McDonald brand is based on the demographic, behavioral, and psychographic factors. Factors considered by the organization under demographics are ages, gender, income, occupation, and life cycle stage. The MacDonalld brand is targeted on individuals

aged between eight and forty-five years old. Based on gender, the product is sold to both males and females. The brand targets low and middle-income earners as their customers. The occupation-based customers targeted by the brand are the employees, professionals, and the students who often visit the outlets for fast foods. These individuals depend on the fast foods from the organization because of the tight schedules and can be targeted.

The behavioral aspect focuses on the degree of loyalty, personality, and user status (Almazrooei, 2016, pp. 1-5). The brand can focus on consumers who are fast food eaters like students and professionals. Also, the company can target individuals who have careless and easy-going personalities. These individuals can be easily be lured into acquiring their products from the McDonald organization. Based on the psychographic factor, McDonald's brand targets individuals based on their lifestyle and their social class. The brand targets the struggler, mainstreamer, and resigned individuals based on the cultural characteristics. The brand also targets individuals from working, lower and middle-class individuals who can contribute to the sustainability of the organization. These factors can be considered when coming up with a marketing strategy to ensure a large number of customers are attracted to the business.

6.0 McDonald's Brand SWOT Analysis

The SWOT analysis analyses the strengths, weaknesses, opportunities, and threats of the UAE MacDonald. The fast-food industry has the strengths of having a strong brand that attracts many customers in the world. The brand is unique and meets the needs of the customers. The other strength of the MacDonald brand is the use of standardized processes that are utilized to enhance product consistency and efficiency of the business (Jurevicius, 2020, par. 1-6). The weaknesses of the MacDonald's are low product diversification, market decline, and limited flexibility. The fact

that the products of the company are foods and beverages, the business becomes prone to vulnerability. The failure of the UAE economies affects the revenues of the company affecting growth. The opportunities presented for the McDonald are product diversification, market development in the Middle East, and expansion of the market in the developing countries.

McDonald's management has the opportunity to ensure that they expand the market to the developing countries (Jurevicius, 2020, par. 1-6). Also, the opportunity to develop markets in the UAE countries can be utilized to promote the growth of the product. McDonald has an opportunity of gaining competitive advantage through the development of new products that meet the expectations of the customers. The brand is however, faced by threats, which include aggressive competition from companies like Emirates Fast Food, Galadari Ice Cream, Subway Arabia, and Kuwait Food Company. The competition threatens the expansion of markets and revenue generation of the company. The healthy lifestyle trends are changing from time to time, which discourages the individuals from feeding from the McDonalds hence affecting the revenues and growth.

7.0 Market research

The process of gathering information about the needs and preferences of the customers is highly needed. Types of market research involved that can be used by McDonald are surveys, interviews, observations, and focus groups (Al Badi, K2015, 136-142). The importance of market research is that it provides the company with information about the market, customers, and products that can be used to attract more customers. These types are important and are used to identify the strategy to be implemented to get to the customers. The marketing mix strategies used by the McDonald's brand in UAE are based on product, place, pricing, and promotion.

7.0.1 Product

Best products flow within the UAE and internationally that help in ensuring that potential customers are attracted to the company. The management of McDonald branding works to ensure that quality and standardized products and services are offered to the customers (Al Badi, K2015, 136-142). Some of the quality meals that are offered in the main outlets include egg McMuffin, Big Mac, and Fillet o' Fish. These products are of top quality, and they ensure that potential customers are maintained, and new are attracted to the business.

7.0.2 Place

The customers also depend on the physical evidence of the stores in which the customers can easily access. McDonald's in UAE has outlets across the UAE, and the world is homogenous. The stores have the same look to make it easier for the customers, and they offer similar products and services. The décor and staff uniforms are similar as a way of placing and ensuring that customers can acquire their services with limited time (Al Badi, K2015, 136-142). Also, through placing, the management ensures that all the stores comply with rules and regulations with regard to hygiene. The compliance ensures the cleanliness of the stores of McDonald, ensuring that customers are safe when they feed from the fast-food company.

7.0.3 Pricing

Based on pricing, McDonald's uses standardized pricing to meet the needs of the customers. The fast-food products of the company are offered at low costs that can accommodate various people from different socio-economic backgrounds. The organization has adopted an affordable menu that can continue to be used in new outlets that can be established (Al Badi, K2015, 136-142). Through the adoption of an affordable menu, new potential customers can be attracted to the

company. In brand pricing, there is an introduction of the Dollar menu that has allowed new pricing strategies favorable to the customers. This pricing ensures that the brand penetrates into the market for better results.

7.0.4 Promotion

Promotion is another approach that is utilized by the management of McDonald to ensure that the customers understand the brand. Advertising media is profoundly used media that helps to persuade the customers to get the products from McDonalds. Some of the advertising media used are billboards, electronic media, and print media. Also, aggressive advertising tools like magazines, TV commercials, and newspapers are used for marketing the brand to the customers. Sales promotions, designed to attract and motivate new potential customers are used as a strategy to market the fast foods McDonald brand in UAE. These sales promotions introduce new products and their prices hence communicating to the customers (Al Badi, K2015, 136-142). One of the sales promotions used is a "buy-one-get-one-free deal" that attracts more customers into the business. A variety of promotions, like scratch cards, toys, and lucky draws, are also used in the promotion marketing strategy mix. These promotions work as incentives that motivate and attract the targeted customers.

8.0 Conclusion and Recommendations

In conclusion, marketing strategy is an important aspect that can be used to ensure that the brand reaches a large number of customers. McDonald brand can penetrate into the potential market in the UAE and also in the world. The fast-food company has continued to remain the best in the UAE and the entire world. Innovation and technology are being utilized by the company to ensure that the needs of the customers have been met and the goals of the company achieved. The

essay has discussed the target market and segmentation that ensures that the McDonald's customers are reached. The different factors used to analyze the customers that can be used for the company. The essay has also addressed marketing mix strategies. These strategies include pricing, place, product, and promotion, and these strategies are used to attract potential customers into the market. There is room for improvement for the organization to do better and reach more potential customers (Jurevicius, 2020, PAR 10). McDonald can use the opportunities in the market to ensure the expansion of the markets around the globe to enhance growth. The organization can ensure that marketing risks are reduced through the development of new products related to fast food products. Expansion of the markets would include the establishment of resources like staff and money that can be used to ensure that market expansion goals are achieved.

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