



McDonalds Big Mac VS Burger King Whopper | \$50 Food Challenge!

## COMPANIES

# McDonald's global profits rise due to premium burgers and value menu

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May 2, 2018 7:21am



THE registers are ringing at McDonald's following the introduction of a value-for money menu that is actually seeing people spend more.

The ploy is paying dividends with global profits at the burger giant jumping 13 per cent to almost \$2 billion.

Macca's is also making a motza from a fast food innovation — premium burgers — pioneered in Australia.

McDonald's president and chief executive officer Steve Easterbrook said on Monday that revenue was up 5.5 per cent to \$US5.1 billion (\$A6.8 billion) in the first quarter of 2018 with profits increasing 13 per cent to \$US1.4 billion (\$A1.9 billion).



📷 Macca's profits are up 13 per cent worldwide. Picture: AFP/Karen Bleier

## **POSH PATTIES**

"We are satisfying the rising expectations customers have for the taste and quality of our food and greater convenience as they visit our restaurants or enjoy meals delivered to their homes and offices," he said.

Mr Easterbrook said more premium burger offerings were part of the reason behind the rise in profits as customers swapped the standard Filet-o-Fish for fancier fare.

The firm has historically used Australia as a test bed for new products and posh burgers are no exception. The Create Your Taste range, which saw individualised burgers served on wooden boards, was rolled out here before many countries.

Australia was also the first place in the world to see Wagyu beef burgers beneath the golden arches.



📷 McDonald's Australian loaded fries will feature on the menu of its flagship US restaurant. Picture: Toby Zerna

The “world first limited edition burger” contains [“100 per cent Australian-bred Wagyu beef patty in between a gourmet bun \(made to a new recipe\), with a specially created sauce, crispy bacon strips, caramelised onion, tomato, lettuce and a slice of Coon cheese”](#).

Posh it may be, but some have wondered how palatable it really is.

[Posting to Facebook group Fatties Burger Appreciation Society, which has almost 90,000 members, poster David Winch said he was unimpressed.](#)

“Patty cooked to death sometime last week and presented with unmelted cheese, tomato, bacon, a crapton of wilted lettuce and a smear of nondescript sauce on a dry, oversized bun,” he wrote.

The burger has also come under fire for not containing 100 per cent Wagyu beef.

But the semantics over whether Macca’s premium burgers were really premium hasn’t stopped people trying them.





📷 McDonald's US dollar value menu that has been credited with boosting profits.

### **VALUE MENU ENCOURAGES US TO SPEND MORE**

Mr Easterbrook said a new US menu with lower-priced items was paying dividends. Products like soft drinks, sausage wraps and triple cheeseburgers are available at \$1, \$2 or \$3 price points.

But far from saving customers money, the lower priced items were having the opposite effect.

The McDonald's boss said people who use the \$1 \$2 \$3 menu tended to purchase more items than people who do not order from it, reported [NBC](#).

Once people were in the store, some were also upgrading to pricier patties.

The popularity of premium burgers and its dollar value menu offset a decline in its breakfast menu. Fewer people were gobbling up egg McMuffins worldwide because competitors, such as Burger King and Dunkin Donuts, had stepped up their breakfast game.

[Australia's success in predicting tastebuds worldwide has now seen the country rewarded.](#)

A Macca's Australian oddity will be offered at a one-off restaurants at the company's Chicago headquarters showcasing global variations of its famous menu.

The restaurant will feature Australia's cheese and bacon loaded fries, that's chips smothered in hot goo.

Alongside the claggy chips will be the McSpicy Chicken Sandwich from Hong Kong, the strawberry and chocolate covered coconut McFlurry Prestígio from Brazil and the kale, tomato, cranberry and chicken Manhattan salad from, not the US, but France.

Originally published as [Macca’s ploy makes us buy more burgers](#)



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## COMMENTS

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