

## McDonald's McCafe

### Problem

How does a fast-food restaurant launch a specialty product in a highly competitive market?

### Solution

Use a variety of OOH formats to maximize reach.

### Background

McDonald's launched its new line of McCafe beverages in late 2008. The company knew it would be facing major hurdles in New England, where competitor Dunkin Donuts dominates the market. Dunkin Donuts outnumbers McDonald's by 3 to 1 across the entire region and as much as 5 to 1 in the urban downtown areas. Additionally, Dunkin' outspends McDonald's 2 to 1 when it comes to breakfast products.

McDonald's needed to convince "Java Junkies" -- those individuals who take their coffee very seriously -- to break their daily routine, habit, drive past the Dunkin Donuts or Starbucks they visit every coffee break, and go to McDonald's for a product that involves espresso and whipped cream instead of burgers and a sesame seed bun.

Additionally, each of the McDonald's co-ops within the New England region had its own needs. The McCafe launch was a rolling launch by co-op over the course of 9 months. Each co-op's media plan had to be tailored to meet its specific challenges.

### Objective

The goals for the McCafe Launch were to increase awareness of the McCafe product offering at McDonald's, drive trial and create McCafe brand advocates, and steal from Dunkin Donuts' majority breakfast share.

In order to ensure a successful McCafe launch, the campaign needed to connect with the "Java Junkie" target. Since Java Junkies are generally younger on-the-go upscale women, the work had to branch out beyond McDonald's traditional media and dive deeper into the environments Java Junkies frequent.

### Strategy

Though important for full market coverage, the standard highway bulletins, 30-sheets, and transit posters were not going to effectively reach media-savvy Java Junkies. So McDonald's turned to digital OOH formats. Elevator screens were used to target office building workers on their coffee break, digital signage at malls tapped into shoppers (which was particularly effective during the holiday season), and digital networks reached young adults while out at bars.

Street teams were strategically placed outside of busy commuter hubs and college campuses (which are overflowing with Java



Junkies) and handed out coupons as New England coffee drinkers began their day, hoping to catch Junkies at a time when they'd be most likely to try something new.

As traditional OOH inventory is limited in Maine, it is a challenging market to plan. With a February outdoor launch, what better way to reach affluent consumers than with on-mountain ski media? Whether riding the chair lift, enjoying lunch in the lodge or setting down their skis on the racks at the end of a long day, skiers were enticed by steaming, frothy McCafe images.

## Plan Details

Markets: Bangor, ME; Boston, MA; Hartford/Springfield, CT; Portland, ME; Presque Isle, ME; Providence, RI

Flight Dates: October 2008 - June 2009

OOH Formats Used: Bulletins, posters, transit shelters, bus posters, taxi tops, bus & subway card interiors, mall signage, digital screens at bars, elevator networks, gas station pump tops, on-mountain ski media, street teams



## Results

In concert with a powerful mix of TV, radio and online, the McCafe outdoor campaign helped to deliver over 240 million impressions in New England.

Tangible campaign results included:

- While McDonald's share of breakfast increased by 2.1%, in the same time period, Dunkin Donuts' share decreased by 3.5%
- The trial goal was exceeded by two percentage points
- After 6 months, awareness was at 81% among Adults 18+

McCafe was, without a doubt, the most significant new product launch at McDonald's since breakfast was introduced in the 1980s. The ability to drive specialty coffee sales in Dunkin Donuts' backyard is a testament to the aggressive and innovative outdoor tactics and dedicated targeting of a new kind of McDonald's customer.