

Judging Success

I have now carried out all of my research and gathered all the relevant information to support my proposal. My evidence has proved to me that selling pizza at McDonalds is a good idea.

My first marketing objective was:

- To gain a foothold of the pizza market share in the next 12 months.

From my questionnaire I discovered that there was a demand for pizza as 70% of people questioned said they would purchase pizza from McDonald's. As this is a high percentage this proves McDonalds selling pizza is a good idea as this is what the consumers want. McDonalds is a consumer-orientated business that always put the customer first. This means that McDonalds will want to satisfy consumer's requirements by offering pizza. If these 70% of people purchased pizza from McDonalds then the company would gain a foothold of the pizza market. ✓

- To decrease competitors sales percentage.

This will be accomplished, as McDonald's is a well-known company who takes pride in being branded a Fast, Good Quality, and cheap Food Service. Customers who currently use McDonalds may purchase pizza from Pizza Hut and other pizza outlets, however if pizza were made available they may take their custom from these restaurants and use McDonalds. As McDonalds would also be offering pizza this will be increased competition for pizza outlets that may only offer a restricted menu, which is limited to pizza. McDonalds will gain a share of their customers and this will decrease these competitors sales percentage. It will also result in profits decreasing as they will be making fewer sales. ✓

- To create a marketing proposal for a successful new product.

I have carried out both Primary and Secondary Research and they have convinced me that selling pizza at McDonalds is a good idea. My Primary Research showed me that there was a demand for pizza in McDonalds. This means that it is a worthwhile venture for McDonalds as the public are prepared to invest their money in pizza at McDonalds. I feel that my proposal is going to work as the pizza sector is increasing, the pizza market sales are increasing and as McDonalds is not yet in this market they are missing out in this opportunity to increase their sales percentage. The burger sector is decreasing in popularity more people are wanting healthier food. This means if McDonalds continues to specialise in burgers their sales may continue to decrease. By introducing pizza McDonalds sales will increase. ✓

Customers are interested in a healthier diet and are less likely to purchase fatty foods. Pizza is a healthier option which customers are willing to invest their money into. There will be less salt in the pizza base; this will meet consumer's needs, as there is a lot of

health issues concerning with the amount of salt which people consume. From my questionnaire I discovered that people would be willing to pay £6 for a pizza at McDonalds, when offering pizza I will satisfy customers by pricing pizza near to the price which customers are prepared to pay. I will also meet my customer's requests by offering three different sizes of pizza; they are 10 inch, 12 inch and 15 inch. These are the sizes, which my competitors are offering, so I will make no difference in my sizes, as this is what my customers will be expecting, if they can purchase these from other pizza outlets. My questionnaire showed me that my potential customers had a demand for both a set menu and personal choice. This means that in order to meet my customer's requirements I will provide them with both a set menu offering the same toppings as my competitors and also give them the opportunity to choose their own toppings. If I meet my potential customer's expectations and keep them satisfied McDonalds will then have an increased customer base.

evidence support

I feel that my proposal will last over a long period of time, as it is a practical opportunity for McDonalds. The pizza sector has increased in popularity since the year 2002. As this percentage is still increasing this means pizza will only become more popular in the future. This is how I can be certain that pizza will be successful in McDonalds. If offering pizza in the Ballymena branch is successful then every branch of McDonalds will then also adopt pizza as part of their menu.

My marketing proposal will meet with McDonald's current product-portfolio. McDonalds currently recycle the majority of their products packaging. When pizza is offered all of the packaging from them will also have to be recyclable. This may result in having to replace the current bins with bigger bins, which will be able to hold the pizza boxes. These boxes will be made from recycled material and will also use the McDonalds colours, which will be red, yellow and white. McDonalds is currently recognised for the speed of their service, when providing pizza there will be no change. The pizza will be provided in the shortest possible time for the customer, all the equipment used to produce the pizza will be the latest technology and staff will be trained specifically on how to put toppings on the pizzas in a short time. McDonald's food is priced cheaply and still the food remains to be at a good standard. Pizza will also follow these standards currently set. The price for pizza at McDonalds is set slightly below my competitor's prices and also reflects what the customers are willing to pay. The current price range for McDonalds is £0.99 - £4.00, these are affordable prices which anyone can afford whether it's a single parent family, teenager, or a stable two parent family McDonalds prices are reasonable. Pizza will also be set at an affordable price.

My prices for pizza will be set at competitive pricing and will be just below my main competitors prices. McDonalds is well known for cheap pricing and so I will want the prices of pizza to follow this standard. My prices will be:

- 10 inch - £3.99
- 12 inch - £5.99
- 15 inch - £7.99

I feel that my chosen methods of promotion will be effective to the proposal and will reach the appropriate people. By advertising on Seven fm I will be targeting those in the Ballymena area as this is the local radio station. Billboards in the town center will also create awareness to drivers passing and shoppers who may be looking for something to eat. From my questionnaire I discovered that my main customer base would be within the 3 mile radius and so by going around the houses in these areas putting leaflets in the letterboxes this is reaching my potential customers. Also by handing out leaflets in the town centre which have a coupon on them will also influence the people to come into McDonalds and purchase from them.

✓
Success supported evidenced judgement

When my proposal will come into practice this will affect many of the current functional areas within McDonalds. I have carried out market research and discovered that pizza is a new product which customers are willing to purchase from McDonalds. From my research I have been able to decide on the sizes, prices and toppings for my new product, which will be pizza.

Now that I know there is a demand for pizza and that this is what McDonalds customers want, Finance will have to set a budget on the amount of money which can be spent on producing and marketing this new product. ✓

Finance will give production the money that will go towards new ovens and equipment needed for making the pizza. They will also fund all the ingredients for the base and toppings. Production will have to know the demand for pizza and know the amount of ingredients to order for making the pizza.

Marketing will also be given a budget from finance stating the amount of money which can be spent, on advertising and promoting pizza in McDonalds Ballymena branch. Production will inform Marketing of the date in which pizza will be available within the restaurant, this will mean that marketing can hand out all the leaflets around houses and in the town centre in time for the launch of pizza. The billboards will also need to be put up and displayed in time and the local radio will need to be given the advertisement to start playing on air so as everyone in the Ballymena area is aware of the launching date of pizza at McDonalds.

Human Resources will have to train all members of staff on how to use the new ovens for pizza and how to work the Personal Choice Menu. If there is a large demand for pizza then they may have to consider the possibility of recruiting new members of staff in order to keep the fast service and to reduce the lengths of queues due to the demand for pizza. Staff will then undertake training on producing the pizza; all staff will be shown as this means each member of staff will be able to work in any area and carry out any aspect of work in McDonalds which is McDonalds current training policy. ✓

Customer Service may have to issue new customer satisfaction cards in order to receive feedback from their customers on what they think about pizza in McDonalds. This will help to identify any weaknesses, which may occur and will help McDonalds to try to make the service better.

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Health and Safety Department at McDonalds will have to inspect cooking conditions to check that the pizza is being cooked to a high standard. Once the legislation has been passed pizza can then start to be sold.

In my opinion selling pizza at McDonalds will be a successful venture for the company. My research has convinced me that my marketing proposal will last over a period of time and will help to increase McDonald's sales percentage.