

Cause Related Marketing

The following is a broad summary of the successful McHappy Day promotion used by McDonald's in Australia, which is a good example of a large company using its brand and customer base to raise funds for charity.

This activity requires you to determine whether this is really example of responsible marketing or just another day on their marketing campaign calendar?

About McHappy Day

McHappy Day is one of McDonald's main charity days throughout the year. On McHappy Day, which is always on a weekend, \$1 from every Big Mac purchase goes to charity.

McDonald's actively promote this day for several weeks before, both through advertising and in-store displays. In addition, they attempt to have celebrities to work on the counter in order to increase customer traffic on the day.

Therefore, McHappy Day appears to be a "win-win-win" situation for the three parties involved as:

- Significant funds are raised for charities
- McDonald's gain extra sales on the day
- The McDonald's brand is enhanced by being seen as a good corporate citizen
- Customers gain "emotional goodwill" as part of their purchase goes to a good cause
- Customers may enjoy meeting some of the celebrities

However, some critics highlight that not all customers buy a Big Mac - many also buy a Coke and fries for themselves and kid's meals for their children. They argue that McDonald's income is substantially increased on the day, yet they only pass on a proportion of the income from one product only.

Student Discussion Questions

1. What do you think; is this day an excellent example of cause-related marketing, or does it appear to be just another marketing event?
2. McDonald's is a firm that tends to be quite heavily involved in sponsorships and charity support. Why would be the case?
3. They sometimes receive criticism of their involvement in these sorts of activities because of the perception some consumers have about their product range. How could McDonald's ensure it gets a 'fairer' assessment of their sponsorship and charity support?