

MEDIA RELEASE

McDONALD'S RESETS MARKETING TO DELIVER SUSTAINABLE GROWTH

17th November 2014 – Mark Lollback, Chief Marketing Officer McDonald's Corp Australia and New Zealand says that its marketing has shifted away from activity that delivers short terms sales spikes to activity that delivers sustained growth over a two or three year horizon.

In this week's episode of *Marketing Dividends presented by AANA*, Mr Lollback explains how the marketing team at McDonald's incorporates the brand team, the consumer insights team, the innovation and menu team, and the digital and media team. He makes the point that the combined group provides the insights that drive activities that deliver sustained and real growth for the business.

"What we realised actually was that they (marketing initiatives) need to be bigger, bolder initiatives that generally have an impact over time, not just filling a window in the calendar," Mr Lollback said.

As part of that shift, McDonald's is planning integrated activity that will make its customers, particularly its most loyal customers, feel more valued and will launch a club called 'My Maccas' that will help transform how they serve and treat their customers.

"There is no doubt today that the marketing department is responsible for what I would call 'thought leadership'. More than ever, it's not about the marketing plan but it's how do we elevate the conversation to a business plan. How do we integrate the whole company, aligned behind the one agenda, to have what we call 'consumer noticeable impact' in our restaurants and therefore in our business results," Mr Lollback said.

"Delivering sustainable business growth and a move away from short term campaigns has been a key theme that has emerged in the series to date. *Marketing Dividends* was conceived to raise the profile of the marketing profession and to hear leading marketers like Mark Lollback talk about the expectation and contribution marketing is making and leading in overall business planning is great recognition for the profession," said Sunita Gloster, CEO of the AANA.

Mr Lollback also says that if marketing isn't truly a part of the c-suite then it needs a re-brand.

"If marketing today has a seat at the table, particularly at the c-suite and it is seen as driving the business, no (it doesn't need a rebrand). If you are anywhere but there, absolutely.

"If you are running a marketing department in an organisation that couldn't tick those boxes, I would be wanting to rebrand, reposition and create enough energy and space for marketing department to have a real presence," Mr Lollback said.

The interview also reveals the biggest challenge faced by the McDonald's marketing team in the last 12 months has been the intensity of competition and the impact that this has had on the businesses 'food dynamics' forcing continual reappraisal and change.

Marketing Dividends is a joint initiative between the Association of National Advertisers (AANA) and MEC Global. The series has been produced in partnership with MCN and Sky News.

The series on Sky News Business features three minute episodes, which can be viewed on the [AANA YouTube channel](#). Extended versions are available for viewing on the AANA website (<http://aana.com.au/marketing-dividends/marketing-dividends-sky-news/>)

-- Ends --

Media contact: Res Publica, Gabriel McDowell

E: gmcowell@respublica.com.au | M: +61 417 260 918 | T: +61 2 8297 1515

About the AANA: For over 85 years the AANA has represented Australia's largest and well-known brands across FMCG, automotive, banking, finance and insurance, travel, health and beauty, media and communications. The AANA works to protect the interests of these businesses who contribute to an estimated advertising spend of more than \$14 billion a year. On behalf of our members the AANA's mandate is to maintain and evolve the advertising codes which underpin the system of self-regulation in Australia; and safeguarding the rights of its members to commercial free speech and protecting consumers by ensuring advertising and marketing communications are conducted responsibly.