

Applying Digital Advertising in Food and Beverage Industry for McDonald's with Marketing 5.0 Approach

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Abstract. Digital Marketing and Advertising 5.0 has the potential to completely change how Food and Beverage (F&B) companies connect and interact with their target audiences. F&B companies can gather and analyze enormous amounts of data in real-time thanks to the integration of cutting-edge technologies like artificial intelligence, machine learning, and blockchain into their marketing strategies. It enables them to develop individualized and targeted marketing campaigns that cater to specific consumers' needs and preferences. Additionally, F&B companies may automate and optimize their marketing initiatives thanks to the utilization of cutting-edge technologies in Digital Marketing and Advertising 5.0, giving them the ability to react swiftly to shifting consumer behavior and market conditions. By utilizing data-driven decision-making and cutting-edge technologies, the adoption of Digital Marketing and Advertising 5.0 has the potential to completely transform how F&B businesses connect and interact with their target customers. McDonald's delivers campaign, promotion, and menu adaption for various countries using Marketing 5.0.

1 Introduction

The most recent iteration of digital marketing, known as digital advertising marketing 5.0, emphasizes using cutting-edge tools like artificial intelligence (AI) and machine learning to send consumers tailored and targeted marketing messages [1]. By delivering pertinent, timely, and important information to consumers through multiple digital channels, including as social media, mobile applications, and websites, this strategy attempts to improve the seamlessness and engagement of the customer experience.

Digital advertising marketing 5.0 can be very useful in the food and beverage (F&B) sector for reaching and interacting with consumers [2]. F&B companies can use digital marketing to reach a wider audience, increase brand recognition, and boost sales as a result of the growing popularity of online food delivery services and social media platforms. To contact and interact with their customers, F&B firms may utilize digital advertising marketing 5.0 in the following ways [3]:

1. Personalized suggestions: Companies can examine consumer data using AI and machine learning to provide personalized recommendations based on customers' prior purchases and interests.
2. Targeted advertising: Businesses can provide tailored adverts to particular client groups based on their interests, geography, and other characteristics

by leveraging customer data and sophisticated targeting technologies.

3. Social media marketing: F&B businesses are currently trying to maximize customer engagement by promoting their products using social media sites such as Facebook, Instagram, and Twitter.
4. Due to the increasing usage of smartphones, F&B companies can connect and interact with clients while they are on the go by using mobile apps and SMS marketing.
5. Influencer marketing: F&B companies can reach a wider audience and gain the respect and trust of potential customers by collaborating with social media influencers.

For F&B businesses, digital advertising marketing 5.0 can be a potent instrument for reaching and engaging with customers in a customized and focused way. Businesses can provide their clients with a more seamless and effective marketing experience by utilizing cutting-edge technologies and data analytics [4]. McDonald's had more than 69 million daily customers in 2018, with 37,855 locations in more than 100 countries, and is one of the most profitable restaurant chains in the world. The main menus that are well known and available at McDonald's are hamburgers, cheeseburgers and french fries, in addition to other menus such as chicken, soft drinks, milkshakes, sandwiches. [5] McDonald's improved its brand worth

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by five percent from the previous year. McDonald's has established itself in 117 foreign markets and daily attracts millions of customers. It is worthwhile to investigate Mc Donald's ongoing success to learn about the company's successful global branding tactics [6]. The impact of marketing 5.0 on fast food chains like McDonald's is significant.

2 Literature review

2.1 McDonald's advanced advertising

Marketing themes geared toward children were more prevalent in nations with lower incomes. For subjects related to health promotion, the opposite was true. This study looked at McDonald's, the biggest fast food chain in the world, social media food marketing tactics on Instagram profiles in a selection of 15 nations with varied income levels. According to this survey, McDonald's leveraged endorsements from celebrities, influencers, and sponsors more frequently on Instagram. Fast food firms' social media advertisements could have unprecedented implications on nutritional choices as social media usage rises, especially in low-income nations [7]. McDonald's has run a number of advertising efforts, all of which have been incredibly successful because they have targeted particular demographics. The reason Mc Donald's has been successful in India is because it employs appropriate segmentation, targeting, and positioning tactics and has the audacity to completely alter its menu offerings to suit Indian needs [8].

McDonald's leverages the high attention base of online hot phrases to pair its new products with these online hot issues, or associates them with relevant sectors, so that products can be paired with popular keywords. This is done because the majority of McDonald's consumer groups are youthful consumers. It emphasizes the utilization of localized McDonald's marketing, product strategy, channel strategy, and price strategy [9]. McDonald's has come to represent globalization, which is often known as the "McDonaldization" of society. Companies in India and Russia aim to provide their clients appealing and affordable options in addition to products that suit their tastes and preferences. Depending on the customs of the host nation, McDonald's utilizes a different range of meats [10]. At a certain generational age, most McDonald's customers know about each other's parents and not through social media, however, the role of social media is still interesting for research to do by looking at the readiness of a generation to utilize information technology for various activities including promotional activities in the food and beverage industry. If McDonald's wishes to boost customer loyalty, they must gather strategic data to understand what their customers want [11]. All of them offer affordable quick meals with distinct product offerings, which is one of monopolistic competition's key traits [12]. To ensure that customers return year after year, McDonald's invests heavily in marketing. McDonald's segments the market using a combination of demographic, geographic, and

psychographic factors while also taking varying consumer tastes and preferences into account [13].

2.2 Digital advertising

The fundamentals of traditional advertising, which tries to market goods or services to a target audience via multiple media channels, are the foundation of digital advertising [14]. The use of the internet and digital technology to spread marketing messages to consumers is referred to as digital advertising, sometimes known as online advertising. The ability of a marketing effort to reach a big number of potential clients is one of the essential concepts in digital advertising. By the use of websites, social media platforms, and mobile apps, digital advertising enables firms to reach a global audience [15]. The idea of engagement, which refers to a marketing campaign's capacity to actively involve and interact with potential customers, is another crucial aspect of digital advertising. Businesses may develop dynamic, immersive marketing experiences through digital advertising that engage consumers and motivate them to take action [16]. Measurement and analysis, which refers to the capacity to monitor and evaluate the efficacy of marketing initiatives, are another crucial aspect of digital advertising [17]. Businesses may watch and analyze metrics like website traffic, conversions, and customer behavior using digital advertising, which enables them to optimize their marketing efforts and raise the ROI of their campaigns. In general, digital advertising consists of reach, engagement, measurement, and analysis, all of which are crucial for developing efficient and focused marketing programs that produce financial outcomes.

2.3 Marketing 5.0

Customer-centricity, which emphasizes the value of comprehending and accommodating unique consumers' requirements and preferences, is the foundation of marketing 5.0 [18]. This idea has been expanded further with the rise of digital marketing, which has given companies the ability to collect and analyze enormous amounts of data about their clients and utilize that data to generate individualized and pertinent marketing campaigns [19]. The next stage of digital marketing is known as marketing 5.0, and it is characterized by the use of cutting-edge technology like artificial intelligence, machine learning, and blockchain into marketing plans. By automating and optimizing marketing initiatives, firms are able to quickly assess changing consumer behavior and market conditions and modify their marketing plans [20]. Figure 1 shows the timeline of the stages of marketing.

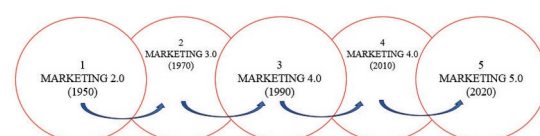


Fig. 1. Timeline of the stages of marketing [21].

Marketing has undergone significant changes over the years, and the evolution can be traced from Marketing 1.0 to Marketing 5.0. Marketing 1.0 was the era of product-focused marketing where the emphasis was on producing high-quality products and making them available to the masses. In this era, businesses did not focus on the needs and wants of consumers but instead focused on creating products that would appeal to them [22]. Marketing 2.0 emerged as a response to the shortcomings of Marketing 1.0. This era saw businesses shift their focus to the customer and their needs. Marketers began to understand the importance of segmentation and targeting, and they worked towards creating products that would satisfy the specific needs of different customer segments [23]. Marketing 3.0 was characterized by the rise of digital marketing, which allowed businesses to reach their target audiences more effectively through social media, email marketing, and other online channels. In this era, businesses began to focus on creating more personalized experiences for their customers, and they used data and analytics to inform their marketing strategies [24]. Marketing 4.0 marked a shift towards a more customer-centric approach, where businesses focused on building long-term relationships with their customers by creating engaging experiences and providing personalized services. Marketing 5.0 is the era of purpose-driven marketing, where businesses are expected to have a positive impact on society and the environment [25]. In this era, businesses are expected to demonstrate their commitment to social responsibility and sustainability, and consumers are increasingly demanding transparency and authenticity from the brands they support.

The customer-centric nature of marketing 5.0 is further highlighted by the usage of new technologies by firms to develop more individualized and targeted marketing strategies [26]. Businesses may develop marketing campaigns that are more successful and generate higher returns on investment by utilizing the power of data and cutting-edge technologies. The idea of employing cutting-edge technologies and data-driven decision making to produce individualized and targeted marketing efforts that cater to the requirements and preferences of particular clients forms the theoretical basis of marketing 5.0.

3 Methodology

Literature review is a critical and methodical examination of published writing and research on a certain subject. It entails looking up and analyzing all relevant published material on the subject, including books, academic journals, and other information sources. A literature review's objectives are to determine the present level of knowledge on a certain subject, identify research gaps, and lay the groundwork for further investigation [27]. In order to acquire all the pertinent literature on a given topic, a literature review typically starts with an extensive search of databases and other pertinent sources [28]. The important themes, concepts, and findings pertinent to the study question

are then determined by evaluating and analyzing the collected literature. Following this, the findings of the literature review are summarized and presented in a form that offers a clear and succinct account of the state of the field's knowledge at the time. Literature reviews are an important part of the research process and are frequently included in research papers, dissertations, and other academic publications [29]. A literature review is available to learn more about Marketing 5.0, McDonald's marketing strategies, and digital advertising in the food and beverage industry. This will aid in finding the gaps in the current body of research and give the study's foundation.

3.1 Focus groups

Focus groups are a qualitative research technique used to get an in-depth understanding of a group of people's opinions, attitudes, and perceptions about a certain issue [30]. In a focus group, a small group of people typically 5–10 are assembled to talk about a subject under the supervision of a skilled moderator. Open-ended questions are posed by the moderator to encourage participants to contribute their ideas throughout the semi-structured discussion. Focus groups' fundamental benefit is that they give academics a better understanding of the attitudes and motives of a certain set of people. Participants' interactions with one another can also lead to fresh thoughts and concepts that weren't necessarily discovered through conventional research techniques.

Focus groups are frequently used in market research to test new marketing techniques or to gain feedback on new goods or services [31]. In order to understand attitudes and perspectives toward particular topics, such as politics or health, they are often employed in social and behavioral research. To learn more about McDonald's patrons' thoughts regarding digital advertising, focus groups can be held with them. Focus group discussions are always and often held, both offline and online, covering topics of innovation and successful promotional strategies that have been implemented, as well as exploring employee views on advertising that should be adapted to social media and other digital platforms.

3.2 Content analysis

A study technique called content analysis is used to examine the information included in different types of written, spoken, and visual communication. To determine the purpose and relevance of the communication, it entails locating and examining patterns and themes within the material [32]. Depending on the study question and the type of data being examined, content analysis can be either quantitative or qualitative. Data gathering, coding, and analysis are often included in the process of content analysis. The data is first gathered and typed out or recorded in an analytically ready format. The data is then methodically coded, which entails giving certain bits of data labels or categories [33]. The coded material is then examined to

find themes and patterns and to make judgments about the communication's importance and meaning. Many disciplines, such as media studies, sociology, psychology, and marketing, among others, can benefit from the application of content analysis [34].

To determine how McDonald's digital advertising initiatives fit with the marketing 5.0 strategy, content analysis might be employed. The platforms and channels used to distribute the ads, as well as the language, images, and messaging utilized in them, can all be subject to examination.

4 Result and discussion

The use of technology and marketing continues to grow, where now we know the term marketing 5.0 where the use of technology can help entrepreneurs in marketing products such as in the McDonald's case. McDonald's applies marketing technology starting from the drive thru lane, and restaurant space to the display at the cashier. Where the utilization of BIG data by collecting the surrounding environment makes advertising seem to 'understand' the needs of customers. For example, at the drive thru, the McDonald's system collects car license plate data and is stored on the server, so that when the customer's car enters the drive thru of another McDonald's branch, the system will offer the products most frequently purchased by the car through the salesperson.

The use of a digital menu board with AI (artificial intelligence) technology by McDonald's in its restaurants is another example of marketing 5.0 in action. The system makes use of each circumstance that could arise in a given circumstance. With this marketing 5.0 technology, McDonald's can increase sales of fast-serving products and products that are appropriate for the current weather, such as if the restaurant is busy, the menu that will be served first is a menu that is quicker to serve. In addition, when it is hot outside the restaurant, the digital board will display a menu related to cold drinks or ice cream that is suitable for hot weather. Hence, marketing technology 5.0 is demonstrated.

This demonstrates how marketing 5.0 technologies can use technology and imitate people's capacity to suggest products. Compared to marketing 4.0, which solely applies conventional advertising to digital systems, marketing 5.0 improves the accuracy of targets in marketing items both automatically and as a support system. As a result, McDonald's maintains its position as the leading global player in the fast-food sector. The intriguing aspect of marketing 5.0 is if the organization will benefit when this approach is implemented in several nations. Each country has a different pattern of sales tactics that can be seen. According to recent study, McDonald's has a marketing strategy for its various menu items. For instance, in Malaysia, it prioritizes marketing its nasi lemak menu to increase sales, and in India, it markets its menu to emphasize curry spices. Also, each nation's digital marketing methods are relevant here. Is it better for McDonald's to use AI, Marketing 5.0 for on-site dining consumers rather than

just the drive-through lanes, or even just digital advertising through social media leveraging talents like top artists from the local or international market.

5 Conclusion

According to a survey of the research and expert analyses, marketing 5.0 is more effective for McDonald's in terms of product filtration, intelligent advertising, and digital advertising. Systems are much more efficient depending on which nation will implement Marketing 5.0. With a focus on technology and content advertising, this technology aids business decisions on how to improve products and customer pleasure.

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