

Research on Analysis of the Impact of Advertising Strategies on the Fast Food Market and Optimization Strategies

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Abstract:

This paper examines the impact of advertising strategies on the fast-food market and provides recommendations for optimizing these strategies. The importance of this topic stems from the fast food industry's reliance on aggressive marketing to drive revenue in an increasingly competitive and health-conscious environment. Through case studies, such as McDonald's and Burger King's marketing approaches, this paper explores how pricing tactics, failure to adapt to health trends, and inconsistent digital marketing efforts have posed challenges to sustaining long-term profitability and customer engagement. The analysis highlights three key problems: the overuse of price-based promotions, resistance to change in response to health-conscious consumer behavior, and a lack of cohesive digital strategies. The paper then offers suggestions, such as shifting from price-based to value-driven marketing, effectively incorporating healthier menu options into brand messaging, and improving digital engagement with younger audiences. In conclusion, the research underscores the need for fast-food brands to evolve their advertising strategies to maintain relevance and profitability. By addressing these challenges, companies can better position themselves to thrive in a dynamic market.

Keywords: Fast Food Industry; Advertising Strategies; Marketing Optimization; Consumer Behavior; Digital Engagement

1. Introduction

Advertising strategies in the fast food market have played a significant role in shaping consumer behavior, brand loyalty, and sales. Kara et al. found that in recent years, a major food consumption trend in the

USA and Canada is that more people are eating more meals outside their homes. It is predicted that this trend will accelerate in the future. As a result, fast-food markets will offer greater growth opportunities for marketers [1]. The fast food industry is highly competitive, and companies use various advertising

techniques to attract consumers, differentiate their brands, and increase market share. Gahfoor proposed that the competition within the fast-food chain restaurant industry is very high. In order to please customers, restaurants are using different methods to strive for bigger market shares. Creating an environment that is pleasant and where customers enjoy coming plays a vital role in determining customers' satisfaction, their visit duration, and intention to revisit the restaurant [2]. Firstly, in our society nowadays, the fast food industry is characterized by fierce competition, with major players like McDonald's, Burger King, and Subway spending billions on advertising each year. This competitive environment drives companies to innovate in their advertising approaches to stand out constantly. As the market is saturated, companies need to attract new customers and retain existing ones by creating distinctive, memorable campaigns. Hanaysha stated that it is, therefore, very important for restaurant managers to focus on social media marketing to establish successful relationships with customers to better inform them about the products or services in an easy and cost-effective manner [3]. Following the rise of digital media, fast food chains have increasingly shifted towards online platforms for advertising. Social media platforms like Instagram, Facebook, and TikTok are heavily used to engage with younger demographics, often through influencer marketing and interactive campaigns. These platforms allow brands to create personalized content, launch viral campaigns, and encourage user-generated content. By analyzing advertising strategies, this research offers insights into how these companies attract, retain, and grow their customer base. Understanding what works well in an industry where margins can be tight and customer loyalty is volatile provides a competitive edge, enabling businesses to allocate resources more effectively and avoid costly advertising mistakes. In recent years, consumer behavior has undergone significant shifts, particularly with the rise of digital platforms and social media. Traditional advertising methods, while still relevant, have seen declining influence compared to the personalized, data-driven marketing available on digital channels. The necessity of this research lies in understanding how digital marketing strategies—such as influencer partnerships, viral campaigns, and targeted online ads—impact consumer choices in the fast food market. The importance of researching advertising strategies in this context lies in exploring how brands can reposition themselves to meet consumer expectations for healthier food while still appealing to their core customer base. Shcherbakova analyzed that without a proper marketing strategy, a company may go out of business due to internal and external organizational pressures. Nowadays, as the economies of countries worldwide show signs

of crisis, fast food industry players need to adjust their marketing strategies in order to overcome the competition within new circumstances [3]. The optimization of such strategies is essential to balancing traditional indulgent offerings with a healthier image, allowing brands to attract a wider range of consumers.

Namin found that for customer-oriented firms, customer satisfaction is considered a necessary element for success. Marketers normally seek to create value and satisfaction for customers, and service quality is a determinant factor in customer satisfaction [4]. Advertising is directly linked to profitability in the fast food industry. By studying its impact, this research can offer concrete insights into how advertising expenditure correlates with sales growth, market share, and overall business performance. In particular, fast food chains often use promotions and limited-time offers in their advertisements to drive immediate sales, but the long-term profitability of such tactics is less understood. Researching this topic is crucial to understanding which strategies result in sustainable growth rather than short-term gains. This analysis will also provide valuable knowledge for small and emerging fast-food businesses that may not have the advertising budget of major players. By identifying cost-effective strategies that deliver measurable results, this research offers practical recommendations that smaller competitors can use to navigate the market successfully. Many scholars who focus on customer satisfaction in the fast food industry emphasize its critical role in marketing success. Their research often revolves around how improving customer experiences, service quality, and menu satisfaction directly impact loyalty and repeat purchases. These studies underline that satisfying customers is a key to long-term brand success, and as consumer expectations continue to evolve, businesses must innovate in delivering higher quality service and food to stay competitive. Additionally, customer satisfaction is increasingly tied to digital interactions, such as seamless app experiences and delivery services, which many experts cite as future trends in the industry.

In contrast, this essay will shift focus to a broader scope by analyzing the Impact of Advertising Strategies on the Fast Food Market and exploring ways to optimize these strategies. While customer satisfaction remains an outcome of successful advertising, this research will delve into how advertising shapes brand perceptions, drives consumer demand, and differentiates fast-food brands in a saturated market. Additionally, this essay will highlight the strategic elements of advertising, such as digital campaigns, celebrity endorsements, and promotions, which generate consumer interest and revenue growth—elements that are crucial in adapting to future market trends.

2. Case Description

The fast food industry relies heavily on advertising to maintain a competitive edge in a crowded marketplace. Brands employ a variety of strategies, each tailored to different consumer groups and marketing objectives. This paper examines the fundamental advertising methods used by fast-food companies and explores how they adapt these strategies to maximize brand visibility and sales.

Firstly, traditional mass media channels like television, radio, and print are essential for fast food brands to build broad awareness. Television advertisements, in particular, remain effective due to their ability to reach large audiences with engaging visuals and audio. Brands like McDonald's and Burger King continue to use this medium to promote products, often using memorable mascots, jingles, and high-budget campaigns. While digital media is growing, mass media still plays a key role in maintaining brand recognition, particularly among older consumers.

Secondly, with the increasing role of technology in daily life, fast food chains have shifted focus toward digital advertising, leveraging social media platforms such as Instagram, Facebook, and TikTok. These platforms allow for more personalized and interactive marketing strategies, particularly targeting younger generations. Social media campaigns are often designed to create viral content, and influencers or brand ambassadors are frequently employed to amplify reach. Taco Bell and Wendy's, for example, use humor and memes in their online advertising to engage millennials and Gen Z consumers.

Thirdly, limited-time offers (LTOs) and special promotions are an integral part of fast food advertising. These campaigns, often heavily promoted through both traditional and digital media, create urgency and drive short-term sales. McDonald's Monopoly promotion is a prime example of using rewards-based advertising to attract more customers and boost engagement.

Finally, the idea of celebrity endorsements is another powerful tool in fast food advertising. Collaborations with celebrities like Travis Scott and brands such as McDonald's have proven to be highly effective in driving sales and attracting a younger audience. Additionally, as health-conscious trends grow, fast-food brands are increasingly promoting healthier options in their ads, appealing to consumers who prioritize wellness and sustainability. By adapting to changing trends, the fast food industry sustains its market position and continuously engages diverse consumer segments.

3. Analysis of the Problem

3.1 Influence Identified

3.1.1 Increased brand awareness

Effective advertising helps fast food chains stand out in a highly competitive market. Through mass media, digital marketing, and promotions, advertising creates a distinct brand identity and helps consumers recognize and recall a restaurant's offerings. Saidarka et al. proposed that Brand equity is very important in the increasingly fierce market competition, especially for similar products, to allow businesses to survive [5,6]. Successful campaigns can establish emotional connections with customers, increasing brand loyalty and driving sales. McDonald's "I'm Lovin' It" Campaign has significantly boosted McDonald's brand awareness. By using catchy jingles, celebrity endorsements, and consistent messaging across channels, McDonald's reinforced its position as a leading fast food brand globally, helping to maintain its dominance in the industry. This example perfectly showcases the importance of advertising and the benefits it could bring to fast-food companies.

3.1.2 Driving short-term sales through promotions

Additionally, promotions and limited-time offers (LTOs) are an integral part of fast food advertising strategies. These campaigns are designed to attract customers and drive immediate sales by creating a sense of urgency. According to a survey of restaurant marketing labs in 2020, it revealed that 90% of fast food customers said they were more likely to visit a restaurant offering a promotion or discount. Heide et al. stated that pricing strategies are a strategic tool for revenue enhancement, both through increasing the number of customers and by capturing a larger share of the consumer surplus [7]. This data emphasizes the significant role promotions play in customer decision-making—impact: Taco Bell's LTOs (e.g., Nacho Fries). Taco Bell is known for its frequent limited-time offerings, such as the popular Nacho Fries. These promotions create buzz, increase foot traffic, and boost sales for short periods. The success of such campaigns demonstrates how fast-food chains can use LTOs effectively to keep customers coming back, although the impact may be temporary.

3.1.3 Shaping consumer preferences and behavior

Lastly, advertising also plays a key role in influencing consumer preferences and purchasing decisions. Jéssica Moreira da Silva found that Individuals' exposure to advertising content can influence their food consumption by increasing brand awareness and purchase intention. Al-

though all individuals can be influenced by the persuasive power of marketing communication, children and adolescents are the most vulnerable groups because they possess limited cognitive abilities to differentiate an informative tone from commercial content [8]. Fast food chains use strategic messaging, endorsements, and digital campaigns to create demand for specific menu items or introduce new products. These strategies help shape consumer perceptions and influence their choices when they decide where and what to eat. Beyond meat and plant-based advertising, as consumer demand for plant-based options grows, fast food chains like Burger King and KFC have launched extensive advertising campaigns for products like the Impossible Whopper and Beyond Fried Chicken. These advertisements not only shape consumer behavior but also position the brands as forward-thinking, catering to evolving dietary trends. These influences illustrate the power of advertising in shaping both short- and long-term outcomes for fast food brands, from increasing awareness and driving sales to molding consumer preferences and behaviors.

3.2 Problem-Identified Analysis

In the fast-food restaurant market, multiple problems exist in marketing strategies.

3.2.1 Over-reliance on price-based promotions

One of the most common strategies in the fast food industry is using price-based promotions, such as discounts, coupons, or limited-time offers. While these promotions can attract short-term customers, they often lead to brand devaluation and an unsustainable race to the bottom in terms of pricing. McDonald's Dollar Menu is a perfect example of this problem. McDonald's heavily relied on its "Dollar Menu" for years to drive foot traffic, but this strategy hurt profitability. As consumers began to associate McDonald's with cheap food, the brand struggled to shift perceptions when introducing more premium offerings. Additionally, competitors began to adopt similar pricing strategies, diminishing the uniqueness of the promotion.

3.2.2 Failure to adapt to health trends

As consumers become more health-conscious, fast-food restaurants face increasing pressure to offer healthier options. However, many chains have been slow to adapt, and their marketing strategies often focus on indulgent, unhealthy menu items. This disconnect between consumer demand for healthier choices and the marketing message can result in lost market share. Burger King's slow adoption of healthier menus is a striking example that reveals this existing issue. Other brands like Subway and Chipotle leaned into health-conscious marketing early on, but Burger King was slower in introducing healthier menu

options. Even after the introduction of the "Impossible Whopper," Burger King's broader marketing strategy continued to focus on high-calorie, indulgent items, limiting its appeal to health-conscious consumers.

3.2.3 Ineffective use of digital and social media

Although digital marketing is crucial in today's fast food industry, many brands struggle with leveraging social media effectively. Poor engagement, inappropriate messaging, or failure to connect with younger audiences can lead to negative perceptions or missed opportunities. A powerful example of Wendy's vs. Subway on Social Media. Wendy's is often cited as a leader in fast food digital marketing due to its witty, irreverent Twitter presence, which has resonated well with younger audiences. In contrast, Subway has struggled to engage users effectively on social media, with inconsistent messaging and less impactful campaigns. Wendy's success shows that a tailored, culturally relevant digital strategy can be powerful, while Subway's experience highlights the challenges of maintaining relevance in the fast food space.

3.3 Reason Analysis of Problem

3.3.1 Short-term focus & competitive pressure & consumer expectation

Fast food chains often prioritize immediate sales boosts over long-term brand strategy. Price-based promotions deliver quick results by driving traffic and increasing sales volume in the short term, but they can damage brand perception and profitability over time. This focus on short-term gains can lead to an over-reliance on such promotions, as seen with McDonald's Dollar Menu. Another major reason for this problem is the highly competitive landscape in the fast-food restaurant market. There are numerous brands vying for the same customer base. To stand out, many chains resort to aggressive price-based promotions to attract customers. This not only leads to a race to the bottom in pricing but also encourages competitors to adopt similar strategies, which dilutes the effectiveness of the promotions. Lastly, many companies consider the consumer satisfaction factor, which is why price-based promotions can alter consumer expectations, leading them to view the brand as a provider of cheap, low-quality food. Once a brand is associated with low prices, it becomes challenging to shift consumer perceptions to premium or higher-quality offerings, as demonstrated by McDonald's struggle to market higher-end menu items.

3.3.2 Lagging industry standards & resistance to change & inconsistency marketing messaging

Many fast food chains have historically focused on indulgent, high-calorie foods because that's what has driven

their success. The shift towards health-conscious marketing and healthier menu options is a relatively recent trend, and some brands are slower to adapt due to entrenched practices and business models that prioritize traditional offerings. Also, the fact that needs to be considered is that implementing healthier menu options requires changes in supply chains, ingredient sourcing, and recipe development. Some fast food chains, like Burger King, may resist these changes due to concerns about the cost and complexity involved, as well as fear of alienating their traditional customer base, who may prefer indulgent items. Lastly, even when healthier options are introduced, brands sometimes fail to integrate them effectively into their broader marketing strategy. For instance, Burger King's broader focus on indulgent items, even after introducing the "Impossible Whopper," limited the appeal of their healthier offerings. This inconsistency can result in missed opportunities to capture the health-conscious segment of the market.

3.3.3 Lack of strategy and understanding & inability to keep up with trends & engagement challenges

Many fast food brands struggle with creating and executing a coherent digital strategy. Effective digital marketing requires a deep understanding of social media trends, audience behavior, and content creation. Brands that lack this understanding, like Subway, may produce inconsistent or ineffective campaigns that fail to engage users. Another very important factor that needs to be considered is social media trends evolve rapidly, and brands need to be agile and responsive to stay relevant. Companies that do not adapt to these changes or fail to innovate their digital presence may find themselves outpaced by competitors who effectively leverage current trends, as seen with Wendy's successful and culturally relevant social media strategy. Another unavoidable issue is that engagement with younger audiences requires more than just a presence on social media; it involves creating content that resonates with them and fosters interaction. Brands that struggle with this, like Subway, may experience lower engagement rates and missed opportunities to build a strong, loyal online community.

4. Suggestion

4.1 Focus on Value Beyond Price

Rather than relying solely on discounts and price-based promotions, fast food restaurants like McDonald's can shift their strategy toward providing value beyond low prices. Firstly, restaurants should promote the quality of their ingredients and emphasize health-conscious or

unique menu options. By highlighting fresh, sustainable, or locally sourced ingredients, brands can build a perception of value that isn't tied to price. For instance, McDonald's has recently begun marketing its fresh beef patties and cage-free eggs, aiming to shift the narrative from cheap food to quality fast food. Another great alternative is that instead of offering discounted promotions, restaurants can introduce premium or exclusive menu items for a limited time. This creates buzz and excitement while maintaining a sense of exclusivity. For instance, Burger King introduced the "Impossible Whopper," tapping into the growing demand for plant-based options, which helped to attract a new customer base without undermining its brand image. By focusing on quality, loyalty, and unique offerings, fast food restaurants can create long-term customer relationships and elevate their brand beyond just low-cost promotions, avoiding the pitfalls of a "race to the bottom." This approach would help McDonald's and similar chains move away from devaluing their brand and, instead, build a sustainable competitive advantage.

4.2 Gradual Menu Transformation & Consistent Marketing

To overcome resistance to healthier options, fast food chains should consider a gradual transformation of their menu rather than a sudden overhaul. Reedy found that the poor quality of fast-food menus is a concern in light of increasing away-from-home eating [9]. Introducing healthier items over time allows brands to maintain their core customer base while also appealing to health-conscious consumers. This approach provides a balance between retaining traditional, indulgent offerings and slowly shifting towards healthier alternatives. For instance, a brand like Burger King can test new items, such as plant-based burgers, through limited-time offers to assess customer reactions. These tests allow brands to refine recipes and approaches, ensuring that the introduction of healthier menu items aligns with both customer demand and brand identity. Another key point is the idea of consistent marketing. One of the key challenges many fast food chains face when introducing healthier options is inconsistent marketing messaging. Brands often continue to heavily promote indulgent items while attempting to introduce healthier products, which creates confusion among customers. To resolve this, fast food chains must develop targeted marketing strategies aimed at different segments of their customer base. For instance, Burger King's "Impossible Whopper" should be marketed through specific channels, such as health and wellness platforms, while more indulgent items should be promoted in traditional settings. This dual marketing approach ensures that health-conscious

consumers are aware of the healthier options without compromising the brand's appeal to its traditional audience.

4.3 Developing a Coherent Digital Strategy

To address the problem of fast food brands struggling with digital marketing, several solutions can be implemented to improve their online strategy, engagement, and ability to stay relevant in a rapidly evolving digital landscape. One of the most relevant suggestions is that fast food brands need to invest time and resources into crafting a well-defined and consistent digital marketing strategy that aligns with their overall brand identity. Tapoi proposed that the fast food industry to reach out to their target audiences, publish their product information, and build a strong relationship with the customer. Digital marketing needs to be involved in this process [10].

Subway, for instance, has struggled with producing consistent campaigns, which could be solved by adopting a more focused approach to digital content creation. A dedicated marketing team should be trained to understand the nuances of different social media platforms and audience behavior. This involves creating tailored content for each platform (Instagram, TikTok, Twitter, etc.) rather than using a one-size-fits-all approach. Subway could benefit from hiring social media specialists or partnering with digital agencies to produce campaigns that align with current trends and consumer preferences. In summary, fast food brands must focus on building a consistent digital strategy, staying agile to adapt to rapidly evolving trends, and creating content that fosters engagement, particularly with younger demographics. By adopting these approaches, brands like Subway can revitalize their online presence, improve user engagement, and better compete in the fast food market.

5. Conclusion

This paper has analyzed the impact of advertising strategies on the fast-food market and explored ways to optimize these strategies. The primary issues identified in the industry's current approach include the overreliance on price-based promotions, failure to adapt to health-conscious trends, and a lack of coherent digital marketing strategies. First, price-based promotions, like McDonald's Dollar Menu, may generate short-term sales but devalue the brand and hurt profitability in the long term. This study suggests that fast food companies shift to value-driven marketing that highlights product quality and brand uniqueness instead of competing solely on price. Second, brands like Burger King lag behind industry standards in adapting to health-conscious consumer trends. Introducing healthier menu options, such as the Impossible Whopper,

was a step forward, but inconsistent marketing failed to capture the health-conscious segment effectively. This paper recommends a more cohesive integration of healthier items into the broader brand strategy to attract this growing market. Finally, many fast food chains struggle with digital marketing engagement, particularly with younger audiences. Companies like Subway have underperformed in this area, whereas Wendy's has excelled. To stay relevant, fast food brands must craft agile digital strategies that leverage current trends, social media interactions, and content that resonates with younger demographics. The research presented in this paper holds significant business value. Optimizing advertising strategies can lead to more sustainable revenue growth, improved brand perception, and long-term competitiveness. By addressing these challenges and implementing targeted solutions, fast-food brands can ensure they remain relevant in an evolving market.

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